

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

**HOUSING AUTHORITY OF THE CITY
OF RALEIGH**

December 2017

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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. VIOLENCE AGAINST WOMAN ACT (VAWA)

The Violence against Women Act of 2013 (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault and stalking who are applying for or receiving assistance under the housing choice voucher (HCV) program. If your state or local laws provide greater protection for such victims, those laws apply in conjunction with VAWA.

Notification to Program Applicants and Participants [24 CFR 5.2005(a)(1)]

The Housing Authority is required to inform program applicants and participants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or termination of housing benefits.

The Housing Authority will provide all applicants with information about VAWA at the time they request an application for housing assistance, as part of the written briefing packet, and at the time the family is admitted to the program. The Housing Authority will also include information about VAWA in all notices of denial of assistance.

The Housing Authority will provide all participants with information about VAWA at the time of admission and at annual reexamination. The Housing Authority will also include information about VAWA in notices of termination of assistance.

The VAWA information provided to applicants and participants will consist of the notices in Appendix 7 & 8.

The Housing Authority is not limited to providing VAWA information at the times specified in the above policy. If the Housing Authority decides to provide VAWA information to a participant following an incident of domestic violence, Notice PIH 2017-08 cautions against sending the information by mail, since the abuser may be monitoring the mail. The notice recommends that in such cases the Housing Authority make alternative delivery arrangements that will not put the victim at risk.

Whenever the Housing Authority has reason to suspect that providing information about VAWA to a participant might place a victim of domestic violence at risk, it will attempt to deliver the information by hand directly to the victim or by having the victim come to an office or other space that may be safer for the individual, making reasonable accommodations as necessary. For example, the Housing Authority may decide not to send mail regarding VAWA protections to the victim's unit if the Housing Authority believes the perpetrator may have access to the victim's mail, unless requested by the victim.

When discussing VAWA with the victim, the Housing Authority will take reasonable precautions to ensure that no one can overhear the conversation, such as having conversations in a private room.

The victim may, but is not required to, designate an attorney, advocate, or other secure contact for communications regarding VAWA protections.

DOCUMENTATION [24 CFR 5.2007]

When the Housing Authority is presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, stalking, or criminal activity related to any of these forms of abuse may—but is not required to—request that the individual making the claim document the abuse. Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. The Housing Authority may extend this time period at its discretion. [24 CFR 5.2007(a)]

The individual may satisfy the Housing Authorities request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

- (1) A completed and signed HUD-approved certification form (HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim. The form may be filled out and submitted on behalf of the victim.
- (2) A federal, state, tribal, territorial, or local police report or court record, or an administrative record

- (3) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

The Housing Authority may not require third-party documentation (forms 2 and 3) in addition to certification (form 1), except as specified below under "Conflicting Documentation," nor may it require certification in addition to third-party documentation [VAWA final rule].

Conflicting Documentation [24 CFR 5.2007(e)]

In cases where the Housing Authority receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the Housing Authority may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3). The Housing Authority may also request third-party documentation when submitted documentation contains information that conflicts with existing information already available to the Housing Authority. Individuals have 30 calendar days to return third-party verification to the Housing Authority. If the Housing Authority does not receive third-party documentation, and the Housing Authority will deny or terminate assistance as a result, the Housing Authority must hold separate hearings for the tenants [Notice PIH 2017-08]. The Housing Authority must honor any court orders issued to protect the victim or to address the distribution of property.

Discretion to Require No Formal Documentation [24 CFR 5.2007(d)]

The PHA has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b). HUD recommends documentation in a confidential manner when a verbal statement or other evidence is accepted.

Failure to Provide Documentation [24 CFR 5.2007(c)]

In order to deny relief for protection under VAWA, The Housing Authority must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as the Housing Authority may allow, the Housing Authority may deny relief for protection under VAWA.

CONFIDENTIALITY [24 CFR 5.2007(b)(4)]

All information provided to the Housing Authority regarding domestic violence, dating violence, sexual assault or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence. This means that the Housing Authority (1) may not enter the information into any shared database, (2) may not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and (3) may not provide the information to any other

entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law.

F. 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.

G. 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.

H. 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.

C. LOCAL PREFERENCE

PHAs are permitted to establish local preferences, and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the PHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the PHA plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.

- (1) **Domestic violence** – The applicant may 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 RHA fiscal year for voucher assistance.

Support Circle referrals– In an effort 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 voucher contingent to the family maintaining full time employment of at least 35 hours per week. This assistance will provide vouchers for up to 20 families per RHA fiscal year.

- (2) **Coordinated Entry referrals**– In support of the city of Raleigh's initiative to coordinate services established to end homelessness, RHA has agreed to offer a local preference to housing choice voucher applicants received through the Continuums of Care coordinated entry system. Those referred through this system must be homeless families that have been

recognized to be the greatest in need. The referrals must still meet all other eligibility requirements for voucher assistance. This assistance will provide vouchers for up to 20 homeless families per any RHA fiscal year.

D. 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.

E. TENANT SELECTION

There are three (4) 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:

Wake County Resident	Non Wake County Resident
18 & 19 20%	8 10%
15 & 16 20%	5 5%
13 & 14 20%	3 5%
10 & 11 15%	0 5%

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)
4. Graduate of the Wake County Ready to Rent class-(1) – Effective April 1, 2018 RHA has agreed to offer a preference for all current graduates of the Wake County Ready to Rent (RTR) program. These are housing choice voucher applicants who have successfully graduated from the RTR program. This RTR preference is limited to applicants who live in Wake County. The

applicants must still meet all other eligibility requirements for voucher assistance. Applicants are responsible for providing RHA with a copy of their Ready to Rent Certificate of Completion Wake County issues to graduates.

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 75% 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.

F. 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.

G. 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.

H. 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.

I. 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 may grant 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.

C. 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.

D. 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

E. 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

F. 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.

G. MINIMUM RENT

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

If a family is unable to pay the minimum rent because of financial hardship the Housing Authority must grant an exemption if the family provides evidence of Financial Hardship.

Financial hardship includes the following situations:

- (1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

A hardship will be considered to exist by the Housing Authority only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.

For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

- (2) The family would be evicted because it is unable to pay the minimum rent.

For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent to the owner or tenant-paid utilities.

- (3) Family income has decreased because of changed family circumstances, including the loss of employment.
- (4) A death has occurred in the family.

In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

H. 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.

I. 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.

J. 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.

K. 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.

L. 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.

M. 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.

N. 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.

O. 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.

P. ELIGIBLE TYPES OF HOUSING

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

Q. INFORMATION TO BE PROVIDED TO PROSPECTIVE OWNERS

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

R. 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.

S. 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.

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 lease for the new *assisted* unit 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.

D. 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.

E. 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 31st-35th 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, Section 8 Landlords-Optional Resident Retention.
- (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. (Section 8 Landlords- Inspection Information) 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 Elevated Blood Lead Level (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 X-Ray Fluorescence (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 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 code enforcement. 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 Vouchers 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 for 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, 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 of 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 continued 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 disrupt a neighborhood or interfere 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 for 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, what 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 the families 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. Administrative 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.

If a family is unable to pay the 50% down payment because of financial hardship the Department Director or Assistant Director may grant an exemption if the family provides evidence of Financial Hardship

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 months 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.

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

A. ACRONYMS USED IN THE HOUSING CHOICE VOUCHER (HCV) PROGRAM

AAF	Annual adjustment factor (published by HUD in the <i>Federal Register</i> and used to compute annual rent adjustments)
ACC	Annual contributions contract
ADA	Americans with Disabilities Act of 1990
AIDS	Acquired immune deficiency syndrome
BR	Bedroom
CDBG	Community Development Block Grant (Program)
CFR	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as “the regulations”)
CPI	Consumer price index (published monthly by the Department of Labor as an inflation indicator)
EID	Earned income disallowance
EIV	Enterprise Income Verification
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration (HUD Office of Housing)
FHEO	Fair Housing and Equal Opportunity (HUD Office of)
FICA	Federal Insurance Contributions Act (established Social Security taxes)
FMR	Fair market rent
FR	Federal Register
FSS	Family Self-Sufficiency (Program)
FY	Fiscal year
FYE	Fiscal year end
GAO	Government Accountability Office
GR	Gross rent
HA	Housing authority or housing agency
HAP	Housing assistance payment
HCV	Housing choice voucher
HQS	Housing quality standards
HUD	Department of Housing and Urban Development
HUDCLIPS	HUD Client Information and Policy System

IPA	Independent public accountant
IRA	Individual retirement account
IRS	Internal Revenue Service
JTPA	Job Training Partnership Act
LBP	Lead-based paint
LEP	Limited English proficiency
MSA	Metropolitan statistical area (established by the U.S. Census Bureau)
MTCS	Multi-family Tenant Characteristics System (now the Form HUD-50058 submodule of the PIC system)
MTW	Moving to Work
NOFA	Notice of funding availability
OGC	HUD's Office of General Counsel
OIG	HUD's Office of Inspector General
OMB	Office of Management and Budget
PASS	Plan to Achieve Self-Support
PHA	Public housing agency
PIC	PIH Information Center
PIH	(HUD Office of) Public and Indian Housing
PS	Payment standard
QC	Quality control
REAC	(HUD) Real Estate Assessment Center
RFP	Request for proposals
RFTA	Request for tenancy approval
RIGI	Regional inspector general for investigation (handles fraud and program abuse matters for HUD at the regional office level)
SEMAP	Section 8 Management Assessment Program
SRO	Single room occupancy
SSA	Social Security Administration
SSI	Supplemental security income
SWICA	State wage information collection agency

TANF	Temporary assistance for needy families
TPV	Tenant protection vouchers
TR	Tenant rent
TTP	Total tenant payment
UA	Utility allowance
UFAS	Uniform Federal Accessibility Standards
UIV	Upfront income verification
URP	Utility reimbursement payment
VAWA	Violence Against Women Reauthorization Act of 2013

B. GLOSSARY OF SUBSIDIZED HOUSING TERMS

Absorption. In portability (under subpart H of this part 982): the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

Accessible. The facility or portion of the facility can be approached, entered, and used by persons with disabilities.

Adjusted income. Annual income, less allowable HUD deductions and allowances.

Administrative fee. Fee paid by HUD to the PHA for administration of the program. See §982.152.

Administrative plan. The plan that describes PHA policies for administration of the tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and included as a supporting document to the PHA Plan. See §982.54.

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

Affiliated individual. With respect to an individual, a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis (in the place of a parent), or any individual, tenant, or lawful occupant living in the household of that individual

Amortization payment. In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.

Annual. Happening once a year.

Annual contributions contract (ACC). The written contract between HUD and a PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HUD requirements for the program.

Annual income. The anticipated total income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

Applicant (applicant family). A family that has applied for admission to a program but is not yet a participant in the program.

Area exception rent. An amount that exceeds the published FMR. See 24 CFR 982.504(b).

As-paid states. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

Assets. (See *net family assets*.)

Auxiliary aids. Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving federal financial assistance.

Biennial. Happening every two years.

Bifurcate. With respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

Budget authority. An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

Child. A member of the family other than the family head or spouse who is under 18 years of age.

Child care expenses. Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen. A citizen or national of the United States.

Cohead. An individual in the household who is equally responsible for the lease with the head of household. A family may have a cohead or spouse but not both. A cohead never qualifies as a dependent. The cohead must have legal capacity to enter into a lease.

Common space. In shared housing, the space available for use by the assisted family and other occupants of the unit.

Computer match. The automated comparison of databases containing records about individuals.

Confirmatory review. An on-site review performed by HUD to verify the management performance of a PHA.

Consent form. Any consent form approved by HUD to be signed by assistance applicants and participants to obtain income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.

Congregate housing. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see 24 CFR 982.606–609.

Contiguous MSA. In portability (under subpart H of part 982): An MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

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

Contract authority. The maximum annual payment by HUD to a PHA for a funding increment.

Cooperative (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type (see 24 CFR 982.619).

Covered families. Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which federal, state or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

Dating violence. Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

Dependent. A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

Dependent child. In the context of the student eligibility restrictions, a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* as specified above.

Disability assistance expenses. Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member, and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled family. A family whose head, cohead, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person. See *person with disabilities*.

Disallowance. Exclusion from annual income.

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.

Domestic violence. 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.

Domicile. The legal residence of the household head or spouse as determined in accordance with state and local law.

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.

Economic self-sufficiency program. Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment). Includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see 24 CFR 5.603(c).

Elderly family. A family whose head, cohead, spouse, or sole member is a person who is at least 62 years of age; 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.

Elderly person. An individual who is at least 62 years of age.

Eligible family A family that is income eligible and meets the other requirements of the 1937 Act and Part 5 of 24 CFR. See also *family*.

Employer identification number (EIN). The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.

Evidence of citizenship or eligible status. The documents which must be submitted as evidence of citizenship or eligible immigration status. See 24 CFR 5.508(b).

Extremely low-income family. A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher. Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of median income if HUD finds such variations are necessary due to unusually high or low family incomes. See 24 CFR 5.603.

Facility. All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock, or other real or personal property or interest in the property.

Fair Housing Act. Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988.

Fair market rent (FMR). The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the *Federal Register* in accordance with 24 CFR Part 888.

Family. Includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, and can be further defined in PHA policy.

- A family with or without children (the temporary absence of a child from the home due to placement in foster care is not considered in determining family composition and family size)
- An elderly family or a near-elderly family
- A displaced family
- The remaining member of a tenant family
- A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

Family rent to owner. In the voucher program, the portion of rent to owner paid by the family.

Family self-sufficiency program (FSS program). The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

Family share. The portion of rent and utilities paid by the family. For calculation of family share, see 24 CFR 982.515(a).

Family unit size. The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.

Federal agency. A department of the executive branch of the federal government.

Foster child care payment. A payment to eligible households by state, local, or private agencies appointed by the state to administer payments for the care of foster children.

Full-time student. A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended). See 24 CFR 5.603.

Funding increment. Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

Gender identity. Actual or perceived gender-related characteristics.

Gross rent. The sum of the rent to owner plus any utility allowance.

Group home. A dwelling unit that is licensed by a state as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). (A special housing type: see 24 CFR 982.610–614.)

Handicap. Any condition or characteristic that renders a person an individual with handicaps. (See *person with disabilities*.)

HAP contract. The housing assistance payments contract. A written contract between the PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.

Head of household. The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

Household. A household includes additional people other than the family who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

Housing assistance payment. The monthly assistance payment by a PHA, which includes: (1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing agency (HA). See *public housing agency*.

Housing quality standards (HQS). The HUD minimum quality standards for housing assisted under the voucher program.

HUD. The U.S. Department of Housing and Urban Development.

Imputed asset. An asset disposed of for less than fair market value during the two years preceding examination or reexamination.

Imputed asset income. The PHA-established passbook rate multiplied by the total cash value of assets. The calculation is used when net family assets exceed \$5,000.

Imputed welfare income. An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's rental contribution.

Income. Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.

Income for eligibility. Annual income.

Income information means information relating to an individual's income, including:

- All employment income information known to current or previous employers or other income sources
- All information about wages, as defined in the state's unemployment compensation law, including any social security number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, employer identification number of an employer reporting wages under a state unemployment compensation law
- Whether an individual is receiving, has received, or has applied for unemployment compensation, and the amount and the period received
- Unearned IRS income and self-employment, wages, and retirement income
- Wage, social security, and supplemental security income data obtained from the Social Security Administration.

Individual with handicaps. See *person with disabilities*.

Initial PHA. In portability, the term refers to both: (1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and (2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

Initial payment standard. The payment standard at the beginning of the HAP contract term.

Initial rent to owner. The rent to owner at the beginning of the HAP contract term.

Institution of higher education. An institution of higher education as defined in 20 U.S.C. 1001 and 1002. See Exhibit 3-2 in this Administrative Plan.

Jurisdiction. The area in which the PHA has authority under state and local law to administer the program.

Landlord. 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 a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA.

Live-in aide. A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

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

Living/sleeping room. A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space. A bedroom or living/sleeping room must have at least one window and two electrical outlets in proper operating condition. See HCV GB p. 10-6 and 24 CFR 982.401.

Local preference. A preference used by the PHA to select among applicant families.

Low-income family. A family whose income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80 percent for areas with unusually high or low 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. (A special housing type: see 24 CFR 982.620 and 982.621.)

Manufactured home space. In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR 982.622 to 982.624.

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 (a deduction for elderly or disabled families only). These allowances are given when calculating adjusted income for medical expenses in excess of 3 percent of annual income.

Minor. A member of the family household other than the family head or spouse, who is under 18 years of age.

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

Monthly adjusted income. One twelfth of adjusted income.

Monthly income. One twelfth of annual income.

Mutual housing. Included in the definition of *cooperative*.

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.

Near-elderly family. A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

Net family assets. (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

- In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under §5.609.
- In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

Noncitizen. A person who is neither a citizen nor national of the United States.

Notice of funding availability (NOFA). For budget authority that HUD distributes by competitive process, the *Federal Register* document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

Office of General Counsel (OGC). The General Counsel of HUD.

Overcrowded. A unit that does not meet the following HQS space standards: (1) Provide adequate space and security for the family; and (2) Have at least one bedroom or living/sleeping room for each two persons.

Owner. Any person or entity with the legal right to lease or sublease a unit to a participant.

PHA Plan. The annual plan and the 5-year plan as adopted by the PHA and approved by HUD.

PHA's quality control sample. An annual sample of files or records drawn in an unbiased manner and reviewed by a PHA supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. For minimum sample size see CFR 985.3.

Participant (participant family). A family that has been admitted to the PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).

Payment standard. The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

Person with disabilities. *For the purposes of program eligibility.* A person who has a disability as defined under the Social Security Act or Developmental Disabilities Care Act, or a person who has a physical or mental impairment expected to be of long and indefinite duration and whose ability to live independently is substantially impeded by that impairment but could be improved by more suitable housing conditions. This includes persons with AIDS or conditions arising from AIDS but excludes persons whose disability is based solely on drug or alcohol dependence. *For the purposes of reasonable accommodation.* A person with a physical or mental impairment that substantially limits one or more major life activities, a person regarded as having such an impairment, or a person with a record of such an impairment.

Portability. Renting a dwelling unit with a Section 8 housing choice voucher outside the jurisdiction of the initial PHA.

Premises. The building or complex in which the dwelling unit is located, including common areas and grounds.

Previously unemployed. With regard to the earned income disallowance, a person with disabilities who has earned, in the 12 months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Private space. In shared housing, the portion of a contract unit that is for the exclusive use of an assisted family.

Processing entity. The person or entity that, under any of the programs covered, is responsible for making eligibility and related determinations and any income reexamination. In the HCV program, the "processing entity" is the "responsible entity."

Project owner. The person or entity that owns the housing project containing the assisted dwelling unit.

Public assistance. Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by federal, state, or local governments.

Public housing agency (PHA). Any state, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

Qualified family (under the earned income disallowance). A family participating in an applicable assisted housing program or receiving HCV assistance:

- Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.

Qualified census tract. With regard to certain tax credit units, any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent, and where the census tract is designated as a qualified census tract by HUD.

Reasonable rent. A rent to owner that is not more than rent charged: (1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.

Reasonable accommodation. A change, exception, or adjustment to a rule, policy, practice, or service to allow a person with disabilities to fully access the PHA's programs or services.

Receiving PHA. In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

Recertification. Sometimes called *reexamination*. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.

Remaining member of the tenant family. The person left in assisted housing who may or may not normally qualify for assistance on their own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).

Rent to owner. The total monthly rent payable to the owner under the lease for the unit (also known as contract rent). Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.

Residency preference. A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (See *residency preference area*).

Residency preference area. The specified area where families must reside to qualify for a residency preference.

Responsible entity. For the public housing and the Section 8 tenant-based assistance, project-based voucher assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

Secretary. The Secretary of Housing and Urban Development.

Section 8. Section 8 of the United States Housing Act of 1937.

Section 8 covered programs. All HUD programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under Section 202 of the Housing Act of 1959.

Section 214. Section 214 of the Housing and Community Development Act of 1980, as amended.

Section 214 covered programs. The collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in 24 CFR 5.500.

Security deposit. A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.

Set-up charges. In a manufactured home space rental, charges payable by the family for assembling, skirting, and anchoring the manufactured home.

Sexual assault. Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks capacity to consent (42 U.S.C. 13925(a)).

Sexual orientation. Homosexuality, heterosexuality or bisexuality.

Shared housing. A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. (A special housing type: see 24 CFR 982.615–982.618.)

Single person. A person living alone or intending to live alone.

Single room occupancy housing (SRO). A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. (A special housing type: see 24 CFR 982.602–982.605.)

Social security number (SSN). The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

Special admission. Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

Special housing types. See subpart M of part 982. Subpart M states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

Specified welfare benefit reduction. Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

Spouse. The marriage partner of the head of household.

Stalking. To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

State wage information collection agency (SWICA). The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Subsidy standards. Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension. The term on the family's voucher stops from the date the family submits a request for PHA approval of the tenancy, until the date the PHA notifies the family in writing whether the request has been approved or denied. This practice is also called *tolling*.

Tax credit rent. With regard to certain tax credit units, the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Tenancy addendum. For the housing choice voucher program, the lease language required by HUD in the lease between the tenant and the owner.

Tenant. The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Tenant rent to owner. See *family rent to owner*.

Term of lease. The amount of time a tenant agrees in writing to live in a dwelling unit.

Total tenant payment (TTP). The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

Unit. Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero (0) bedrooms to six (6) bedrooms.

Utilities. Water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services. Telephone service is not included.

Utility allowance. If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

Utility reimbursement. In the voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.

Utility hook-up charge. In a manufactured home space rental: Costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

Very low-income family. A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the housing choice voucher program.

Veteran. A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

Violence Against Women Reauthorization Act (VAWA) of 2013. Prohibits denying admission to the program to an otherwise qualified applicant or terminating assistance on the basis that the applicant or program participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

Violent criminal activity. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Voucher (housing choice voucher). A document issued by a PHA to a family selected for admission to the housing choice voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.

Voucher holder. A family holding a voucher with an unexpired term (search time).

Voucher program. The housing choice voucher program.

Waiting list. A list of families organized according to HUD regulations and PHA policy who are waiting for a unit to become available.

Waiting list admission. An admission from the PHA waiting list.

Welfare assistance. Income assistance from federal or state welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families. For the FSS program (984.103(b)), *welfare assistance* includes only cash maintenance payments from federal or state programs designed to meet a family's ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or social security.

APPENDIX 2

2017 INCOME LIMITS

Maximum income limits for admission as established by HUD for a family whose annual income does not exceed 50% 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 - \$28,100
2 PERSON - \$32,100
3 PERSON - \$36,100
4 PERSON - \$40,100
5 PERSON - \$43,350
6 PERSON - \$46,550
7 PERSON - \$49,750
8 PERSON - \$52,950**

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.