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**CITY OF PASADENA  
HOUSING CHOICE VOUCHER  
PROGRAM**

**June 2023  
Administrative Plan**

*City Council Approved June 20, 2023  
Ordinance #2023-099*



# PASADENA HOUSING PROGRAM

## Housing Choice Voucher Program

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June 2023  
Admin. Plan  
Revisions

### June 2023 Administrative Plan Revisions

- **Chapter 4. Establishing Preference and Maintaining the Waiting List D. Local Preferences**, was updated to include detail on the amount of rent receipt and utility bill statements that will be required to submit as verification of Local Preference.
- **Chapter 10. Housing Quality Standards and Inspections, Introduction section**, has been revised to conduct inspections annually as recommended by the U.S. Department of HUD.
- **Chapter 7. Verification Procedures, section G. Verification of Assets**, was updated to include detail on the amount of bank checking and savings accounts statements that will be required to submit as verification documentation for asset income.
- **Appendix 2. The Family Self-Sufficiency Program Action Plan**, includes the September 1, 2022 revised procedures and/or requirements in accordance with federal regulations (24 CFR 984.201) to reflect current Department processes for the Family Self-Sufficiency Program.

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## Chapter 1

### STATEMENT OF POLICIES AND OBJECTIVES

#### INTRODUCTION

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which recodified the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, are described in and implemented throughout this Administrative Plan. The Section 8 tenant-based assistance programs are federally funded and administered for the City of Pasadena through the Housing Office.

Administration of the Section 8 Program and the functions and responsibilities of the Housing Office (PHA) staff shall be in compliance with the U.S. Department of Housing and Urban Development's (HUD) Section 8 Regulations as well as all Federal, State and Local Fair Housing Laws and Regulations.

#### JURISDICTION

The jurisdiction of the PHA is within the city limits of the City of Pasadena, which may include housing within a reasonable distance (approximately five miles), bordering city limits with PHA approval.

#### HOUSING OFFICE MISSION STATEMENT

The mission of the Pasadena Housing Program is to promote quality, accessible, affordable housing, economic opportunity, and encourage families to achieve self-sufficiency.

#### A. LOCAL OBJECTIVES

The Section 8 Program is designed to achieve three major objectives:

1. To provide decent, safe, and sanitary housing for very low income families while maintaining their rent payments at an affordable level.
2. To promote freedom of housing choice and spatial deconcentration of very low-income families of all races and ethnic backgrounds.
3. To provide an incentive to private property owners to rent to very low income families by offering timely assistance payments.

In addition, the PHA has the following goals for the program:

1. To assist the local economy by increasing the occupancy rate and the amount of money flowing to the community.
2. To encourage self-sufficiency of participant families.
3. To ensure maximum utilization of Section 8 Vouchers at all times.
4. To ensure that assistance is targeted to those most truly in need in the community.
5. To maintain good relationships with local landlords supporting the program and encourage participation by new landlords.
6. To assist all households fairly and equally from the waiting list.

## **B. PURPOSE OF THE PLAN**

The purpose of the Administrative Plan is to establish policies and procedures for carrying out the Housing Choice Voucher Program and any other related housing program in a manner consistent with HUD requirements and local goals and objectives.

The PHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The PHA will revise this Administrative Plan as needed to comply with changes in HUD regulations.

The Administrative Plan is available for public review as required by CFR 24 Part 903.

Applicable regulations include:

24 CFR Part 5: General Program Requirements

24 CFR Part 8: Nondiscrimination

24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program

## **C. ADMINISTRATIVE FEE RESERVE**

Expenditures from the Administrative Reserve (Operating Reserve) for other housing purposes shall not exceed \$100,000 per occurrence nor more than \$300,000 in the aggregate for each fiscal year without the prior approval of the Mayor as Executive Director and/or the City Council. The City will maintain a minimum balance in this account of at least one month Housing Assistance Payments (HAP) and administrative expenses.

## **D. DISASTER HOUSING ASSISTANCE PROGRAMS (DHAP) KATRINA & IKE ADMINISTRATIVE FEES**

Any remaining DHAP Katrina and DHAP Ike Administrative fee funds remaining for the City of Pasadena Housing Assistance Program PHA (TX440), earned from the administration of such programs, will be used for the disaster or emergency related purpose in connection with the COVID-19 National Disaster as authorized and directed by HUD on April 1, 2020. These funds are only to be used in assisting in the mitigation of the pandemic in connection with the families served in the Housing Choice Voucher Program in preventing infection through the provision of education materials, and cleaning products or increasing the Housing Department's capacity to ensure continuity of operations. Fees may be used to cover HCV staff labor hours for planning and response, personal protective equipment (PPE), cleaning supplies for the office such as disinfectants, sanitizers, etc., cost to transport staff to perform essential functions, costs to cover the upgrade of equipment or technology to facilitate electronic communication, electronic files, and reduce reliance on in-person meetings and transactions in the administration of Housing Choice Voucher Program as directed by HUD on April 1, 2020. All records for use of these funds are to be maintained in a detail manner to mirror that of prior disaster related accounting as directed by HUD's Notification on April 1, 2020.

## **E. RULES AND REGULATIONS**

This Administrative plan is set forth to define the PHA's local policies for operation of the housing program in the context of Federal laws and Regulations. All issues related to Section 8 not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other applicable law. The policies in this Administrative Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

## **F. TERMINOLOGY**

The City of Pasadena Housing Office is referred to as “PHA” or “Housing Agency” throughout this document.

“Family” is used interchangeably with “Applicant” or “Participant” and can refer to a single person family.

“Tenant” is used to refer to participants in terms of their relation to landlords.

“Landlord” and “owner” are used interchangeably.

“Disability” is used where “handicap” was formerly used.

“Non-citizen Rule” refers to the regulation effective June 19, 1995 restricting assistance to U.S. Citizens and eligible immigrants.

The Section 8 program is also known as the Housing Choice Voucher Program.

“HQS” means the Housing Quality Standards required by regulations and as enhanced by the PHA.

“Failure to Provide” refers to all requirements stated in Family Obligation #1. See “Denial or Termination of Assistance” Chapter 15.

See Glossary for other terminology.

## **G. FAIR HOUSING POLICY**

It is the policy of the Housing Office 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 PHA shall not deny any family or individual the opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability or sexual orientation.

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to Voucher holders regarding unlawful “discrimination” and any recourse available to families who believe they are victims of a discriminatory act. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder’s briefing packet and available upon request at the front desk.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the PHA’s facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the PHA’s office in such a manner as to be easily readable from a wheelchair.

The PHA office is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTD/TDY telephone service provider.

## **H. REASONABLE ACCOMMODATIONS POLICY**

**It is the policy of this PHA to be service-directed in the administration of our housing programs, and to exercise and demonstrate a high level of professionalism while providing housing services to families.**

**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 following ADA definition:**

**A physical or mental impairment that substantially limits one or more of the major life activities of an individual;**

**A record of such impairment; or  
Being 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 5.403, individuals are not considered disabled for eligibility purposes solely on the basis of 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 PHA will require that a Professional, third party competent to make the assessment provides 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 PHA finds that the requested accommodation creates an undue administrative or financial burden, the PHA will deny the request and/or present an alternate accommodation that will still meet the need of the person.**

**An undue administrative burden is one that requires a fundamental alteration of the essential functions of the PHA (i.e., waiving a family obligation).**

**An undue financial burden is one that when considering the available resources of the agency as a whole, the requested accommodation would pose a severe financial hardship on the PHA.**

**The PHA will provide a decision to the person requesting the accommodation within a reasonable time. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the PHA's decision.**

**Reasonable accommodation will be made for persons with a disability that requires an advocate or accessible offices. A designee will be allowed to provide some information, but only with the written permission of the person with the disability.**

### **Verification of Disability**

**The PHA will verify disabilities under definitions in the Fair Housing Amendments Act of 1988, Section 504 of the 1973 Rehabilitation Act, and Americans with Disabilities Act. The ADA definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.**

**Before providing an accommodation, the PHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the PHA's programs and services.**

**If a person's disability is obvious, or otherwise known to the PHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required.**

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with confidentiality policies. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability.

- Third-party written verification must be obtained from a professional competent to render the opinion and knowledgeable about the individual's situation. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to render the opinion and knowledgeable about the individual's disability may also provide additional written verification. The PHA must request only information that is necessary to evaluate the disability related need for the accommodation. Medical records will not be accepted

### **Applying for Admission**

All persons who wish to apply for any of the PHA's programs must obtain and submit a pre-application as indicated in our public notice at the time the wait list is open.

A reasonable accommodation to persons with disabilities, may be provided upon request.

The full application is completed at the eligibility appointment. Applicants will then be interviewed by PHA staff to review the information on the full application form. Verification of disability as it relates to 504, Fair Housing, or ADA reasonable accommodation will be requested at this time. The full application will also include asking all applicants whether reasonable accommodations are necessary.

### **I. FAMILY OUTREACH**

The PHA will publicize and disseminate information to make known the availability of housing assistance and related services for very low-income families on a regular basis. When the PHA's waiting list is open, the PHA will publicize the availability and nature of housing assistance for very low-income families in a newspaper of general circulation or by any other suitable means. The PHA may also communicate the status of housing availability to other service providers in the community, advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.

### **J. OWNER OUTREACH**

The PHA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families. The PHA maintains a referral list of available housing for the Section 8 Program and updates this list as needed.

Printed material is also offered to acquaint owners and managers with the opportunities available under the program. The PHA may periodically evaluate the distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The PHA conducts periodic meetings with participating owners to improve owner relations and to recruit new owners.

The PHA encourages program participation by owners of units located outside areas of poverty or minority concentration. The PHA periodically evaluates the demographic distribution of assisted families to identify areas with the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choices and better housing opportunities to families. Voucher holders are informed of a broad range of areas where they may lease units inside the PHA's jurisdiction and given a list of landlords or other parties who are willing to lease units or help families who desire to live outside areas of poverty or minority concentration.

## **K. PRIVACY RIGHTS**

**Applicants and participants, including all adults (18 years & over) in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD/PHA will release family information.**

**The PHA's policy regarding release of information is in accordance with State and local laws which may restrict the release of family information.**

**In accordance with HUD requirements, the PHA will furnish prospective owners with the family's current address as shown in the PHA's records and, if known to the PHA, the name and address of the landlord at the family's current and/or prior address.**

**A statement of the PHA's policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.**

**The PHA's practices and procedures are designed to safeguard the privacy of applicants and program participants.**

## Chapter 2

### ELIGIBILITY FOR ADMISSION

#### INTRODUCTION

This Chapter defines both HUD's and the PHA's criteria for admission and denial of admission to the program. The policy of this PHA is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. The PHA staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the PHA pertaining to their eligibility.

#### A. ELIGIBILITY FACTORS

To be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional criteria established by the PHA.

The HUD eligibility criteria are:

An applicant must be a "family"

An applicant must be within the appropriate Income Limits

An applicant must furnish original Social Security Numbers for all family members as required

An applicant must furnish original evidence of Citizenship/Eligible Immigrant Status and verification where required

An applicant must qualify on the basis of citizenship or the eligible immigrant status of family members

The PHA must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the PHA.

Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" Chapter 15. These reasons for denial constitute additional admission criteria. For the PHA's additional criteria for eligibility, see Section F, "Other Criteria for Admission."

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors.

Eligibility factors will be verified before the family is issued a voucher.

Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for final eligibility processing for issuance of a Voucher, unless the PHA determines that such eligibility is in question, whether or not the family is at or near the top of the waiting list.

#### B. FAMILY AND HOUSEHOLD

The terms family and household have different meanings in the HCV program.

The applicant family must qualify as a Family. A Family may be a single person or a group of persons. *The term "Family" includes, but is not limited to the following regardless of actual or perceived sexual orientation, gender identity, or marital status:*

- (1) *A single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person or;*
- (2) *A group of persons residing together and such group includes, but is not limited to :*
  - (i) *A family with or without children (a child who is temporarily away from home because of placement in foster care is considered a member of the family)*
  - (ii) *An elderly family;*
  - (iii) *A near-elderly family*
  - (iv) *A Disabled family;*

- (v) A displaced family; and**
- (vi) The remaining member of the family.**

**Gender Identity means actual or perceived gender-related characteristics. Sexual orientation means homosexuality, heterosexuality or bisexuality.**

**The PHA determines if any other group of persons qualifies as a “family”. Discrimination on the basis of familial status is prohibited, and a group of persons may not be denied solely on the basis that they are not related by blood, marriage or operation of law.**

**A family also includes:**

**Two or more persons who are not related by blood, marriage, adoption, or other operation of law but who intend to share residency whose income and resources are available to meet the family's needs and who have a history as a family unit or show evidence of a stable family relationship.**

**Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.**

**Household is a broader term that includes additional people who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.**

**A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.**

#### **Head of Household**

**The head of household is the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The family may designate any qualified family member as the head of household who is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a co-head or spouse. The head of household must have the legal capacity to enter into a lease under State/local law. Emancipated minors who qualify under State law may be recognized as head of household. A voucher is only transferable to family members that are on the existing voucher and residing in the unit in the event of death of the head of household.**

#### **Spouse, Co-Head and Other Adult**

**Spouse means the marriage partner of the head of household. The definition of spouse is: the marriage partner who, in order to dissolve the relationship would have to be divorced. It includes the partner in a common law marriage as defined in state law. The term "spouse" does not apply to friends, boyfriends, girlfriends, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.**

**A co-head is an individual in the household who is equally responsible with the Head of Household, for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.**

**Minors who are emancipated under state law may be designated as a co-head.**

**Other adult means a family member, other than the head, spouse, or co-head, who is 18 years of age or older. Foster adults and live-in aides are not considered adults.**

### Dependent

**A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except the following persons can never be dependents: the head of household, spouse, co-head, foster children/adults and live-in aides.**

### **Joint Custody of Dependents**

**Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family more than 50 percent of the time. When more than one applicant or participant family is claiming the same dependents as family members, the family with legally ordered custody at the time of the initial examination or Re examination will be able to claim the dependents. If there is a dispute about which family should claim them, the PHA will make the determination based on available documents such as court orders and IRS return showing which family has claimed the child for income tax purposes.**

### Full-Time Student

**A *full-time student* (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.**

### Elderly and Near-Elderly Persons, and Elderly Family

**An *elderly person* is a person who is at least 62 years of age.**

**A *near-elderly person* is a person who is 50-61 years of age.**

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

**An *elderly family* is one in which the head, (including co-head), spouse, or sole member is a person who is at least 62 years of age.**

### Persons with Disabilities and Disabled Family

**Under the HCV program, special rules apply to persons with disabilities and to any family whose head, (including co-head) spouse, or sole member is a person with a disability.**

**A *disabled family* is one whose head (including co-head), spouse or sole member is a person with a disability. Even though persons with drug or alcohol dependencies are considered persons with disabilities for the purpose of non-discrimination, this does not prevent the PHA from denying assistance for reasons related to alcohol and drug abuse or from terminating assistance.**

### Foster Children and Foster Adults

***Foster adults* are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone.**

**The term *foster child* is not specifically defined by the regulations.**

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

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

**A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards.**

### Absent Family Members

Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, illness, incarceration, and court order.

### **Definitions of Temporarily and Permanently Absent**

Generally an individual who is or is expected to be absent from the assisted unit for 60 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted unit for more than 60 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

### **Absent Students**

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless they are away more than 50% of the time.

### **Absences Due to Placement in Foster Care**

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

### **Absent Head, Spouse, or Co-head**

An employed head, spouse, or co-head absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

### **Family Members Permanently Confined for Medical Reasons**

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted.

The PHA will request verification in writing from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

### **Return of Permanently Absent Family Members**

The family must request PHA approval for the return of any adult family members that the PHA has determined to be permanently absent. The individual is subject to eligibility and screening requirements.

### **Live-in Attendants**

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

Is determined by the PHA to be essential to the care and well being of an elderly person, a near-elderly person, or a person with disabilities,

Is not obligated for the support of the person(s), and  
Would not be living in the unit except to provide care for the person(s).

A live-in aide is treated differently than family members:

Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits.

Live-in aides are not subject to Non-Citizen Rule requirements.

**Live-in aides may not be considered as a remaining member of the tenant family.**

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

**Family members of a live-in attendant may also reside in the unit providing doing so does not increase the subsidy by the cost of an additional bedroom and that the presence of the live-in's family members does not overcrowd the unit.**

**A live-in aide may only reside in the unit with the approval of the PHA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly, near-elderly (50-61) or disabled. Verification must include the hours the care will be provided.**

**The PHA will approve a live-in aide if needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability. Approval of a live-in aide for reasonable accommodation will be in accordance with CFR 24 Part 8 and the reasonable accommodations section in Chapter 1 of this administrative plan.**

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

**The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal, state or local program.**

**The person commits drug-related criminal activity or violent criminal activity; or**

**The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.**

**The PHA has the right to disapprove a request for a live-in aide based on the "Other Criteria for Eligibility" described in this Chapter.**

### **Family Break-up**

**The PHA has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up. However, if a court determines the disposition of property between members of the assisted family in a divorce or separation decree, the PHA is bound by the court's determination of which family members continue to receive assistance.**

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

**If a family breaks up into two other eligible families while receiving assistance, only one of the new families will continued to be assisted.**

**In the absence of a judicial decision the PHA will determine which family retains their placement on the waiting list, or will continue to receive assistance taking into consideration the following factors: (1) the interest of any minor children, including custody arrangements, (2) the interest of any ill, elderly, or disabled family members, (3) any possible risks to family members as a result of domestic violence or criminal activity, and (4) the recommendations of social service professionals.**

**Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list or HAP may be**

**terminated for failure to supply information requested by the PHA.**

### **Remaining Member of a Tenant Family**

The HUD definition of family includes the remaining member of a tenant family, which is a member of an assisted family who remains in the unit when other members of the family have left the unit. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see Chapter 8-H.

### **Multiple Families in the Same Household**

When families apply which consist of two families living together, (such as a mother and father, and a daughter with her own husband or children), if they apply as a family unit, they will be treated as a family unit.

### **Joint Custody of Children**

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively. Legally ordered primary custody must be provided.

There will be a notarized self-certification required of families who do not claim an unresolved dispute for joint custody or temporary guardianship.

When both parents are on the Waiting List and both are trying to claim the child, no assistance will be provided without legal documents for court ordered primary custody.

## **C. INCOME LIMITATIONS**

In order to be eligible for assistance, an applicant must:

Have an Annual Income at the time of admission that does not exceed the very low income limits for occupancy established by HUD.

To be income eligible the applicant must be a family in the very low income category, which is a family whose income does not exceed 50 percent of the area median income. The PHA will not admit families whose income exceeds 50 percent of the area median income except those families included in 24 CFR 982.201(b).

To be income eligible the family may be under the low-income limit in any of the following categories:

A very low income family.

A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 30 days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.

A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.

A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.

A low-income non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173.

A low-income family displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.

To determine if the family is income-eligible, the PHA compares the Annual Income of the family to the applicable income limit for the family's size.

Families whose Annual Income exceeds the income limit will be denied admission and offered an informal review.

**Single jurisdiction PHAs:** The applicant income limit to be used at initial issuance of a voucher is the income limit of the PHA.

**Portability:** For admission to the program (initial lease), families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving PHA in which they want to live.

#### **D. STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION**

Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established new restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, and does not have a dependent child, the student's eligibility must be examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income eligible for the student to receive HCV assistance. If, however, a student in these circumstances is determined independent from his/her parents in accordance with PHA policy, the income of the student's parents will not be considered in determining the student's eligibility.

The new law does not apply to students who reside with parents who are applying to receive HCV assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

#### **Definitions**

In determining whether and how the new eligibility restrictions apply to a student, the PHA will rely on the following definitions:

##### ***Dependent Child***

In the context of the student eligibility restrictions, *dependent child* means a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent*, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. Foster children and foster adults are not considered dependents.

##### ***Independent Student***

The PHA will consider a student "independent" from his or her parents and the parents' income will not be considered when determining the student's eligibility if the following four criteria are all met:  
The individual is of legal contract age under state law.

The individual has established a household separate from his/her parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education's definition of independent student. To be considered an *independent student* according to the Department of Education, a student must meet one or more of the following criteria:

Be at least 24 years old by December 31 of the award year for which aid is sought  
Be an orphan or a ward of the court through the age of 18

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Be a veteran of the U.S. Armed Forces

Have one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent)

Be a graduate or professional student

## **Be married**

The individual was not claimed as a dependent by his/her parents pursuant to IRS regulations, as demonstrated on the parents' most recent tax forms.

The individual provides a certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed and notarized by the individual providing the support and must be submitted even if no assistance is being provided.

The PHA will verify that a student meets the above criteria in accordance with HUD policies.

## **Institution of Higher Education**

The PHA will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an *institution of higher education*.

For purposes of student eligibility restrictions, the definition of *parents* includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and legal guardians (e.g., grandparents, aunt/uncle, godparents, etc).

## **Veteran**

A *veteran* is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.

## **Determining Student Eligibility**

If a student is applying for assistance on his/her own, apart from his/her parents, the PHA must determine whether the student is subject to the eligibility restrictions. If the student is subject to those restrictions, the PHA must ensure that: (1) the student is individually eligible for the program, (2) either the student is independent from his/her parents or the student's parents are income eligible for the program, and (3) the "family" with which the student is applying is collectively eligible for the program.

For any student who is subject to the restrictions, the PHA will:

Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program

Determine whether the student is independent from his/her parents in accordance with the definition of *independent student* in this section

Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the program

If the PHA determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, the PHA will send a notice of denial in accordance with the policies, and the applicant family will have the right to request an informal review.

## **Determining Parental Income Eligibility**

For any student who is subject to the restrictions and who does not satisfy the definition of *independent student* in this section, the PHA will determine the income eligibility of the student's parents as follows:

If the student's parents are married and living together the PHA will obtain a joint income declaration and certification of joint income from the parents.

If the student's parent is widowed or single, the PHA will obtain an income declaration and certification of income from that parent.

If the student's parents are divorced or separated, the PHA will obtain an income declaration and certification of income from each parent.

If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, the PHA will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The PHA will then

obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

In determining the income eligibility of the student's parents, the PHA will use the income limits for the jurisdiction in which the parents live.

#### **E. MANDATORY SOCIAL SECURITY NUMBERS**

Families are required to provide original verification of Social Security Numbers for all family members on the application for admission. This requirement also applies to persons joining the family after admission to the program.

Failure to furnish original verification of social security numbers is grounds for denial or termination of assistance.

Persons who have not been issued a Social Security Number must sign a certification that they have never been issued a Social Security Number.

As required in accordance with 24 CFR 5.216 and HUD PIH Notice 2016-05, applicant families with a child under the age of six (6) and was added to the application six (6) months prior to the date of admission or date of voucher issuance, the family may become a participant, so long as the valid Social Security Number is provided to the Pasadena Housing Program Office within 90 calendar days from the date of admission into the program. An extension beyond the 90 calendar day period may only be granted if it is determined that the reason(s) for not complying with the initial 90 calendar day deadline was due to circumstances that could not reasonably have been foreseen and are outside the control of the applicant.

Current participating families who request to add a new household member under the age of six and has no assigned social security number have 90 calendar days to provide a complete social security number. A 90 calendar day extension may only be granted if it is determined that the reason(s) for not complying with the initial 90 calendar day deadline was due to circumstances that could not reasonably have been foreseen and are outside the control of the participant.

Assistance will be denied and/or terminated in accordance with 24 CFR 5.218 for failing to disclose Social Security Numbers.

#### **F. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS**

In order to receive assistance, a family member must be a U.S. citizen or eligible immigrant. Individuals who are neither may elect not to contend their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

**Mixed Families.** A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed". Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

**All members ineligible.** Applicant families that include no eligible members are ineligible for assistance. Such families will be denied admission and offered an opportunity for an informal review.

**Non-citizen students.** Defined by HUD in the non-citizen regulations at 24 CFR 5.522. Not eligible for

assistance.

**Appeals.** For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

#### **G. OTHER CRITERIA FOR ADMISSION**

A family will not be admitted to the program if any member of the family has been evicted from federally assisted housing for serious violation of the lease within the past ten (10) years.

A family will be denied admission to the program if any member of the family fails to sign and submit Consent forms for obtaining information required by the PHA, including Form HUD-9886.

The PHA will apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the program.

The Family must have not violated any family obligation or other program rule during a previous participation in the Section 8 program for ten years prior to full intake application date.

An exception may be granted by the PHA if the family member who violated the family obligation is not a current member of the household on the application and will not be living there

The family must pay any outstanding debt owed the PHA in full as a result of prior participation.

A Repayment Agreement may be executed, but the amounts owed to the PHA must be paid in full prior to final eligibility determination. This applies to any monies owed to any federal housing program.

If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, the PHA may deny assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum).

No family/household member or program participant may engage in verbal abuse or by any action threaten PHA personnel at any time.

No family/household member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal, state or local program.

The PHA will check criminal history for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as referenced in the section on One-Strike policy in the "Denial or Termination of Assistance" Chapter 15.

Any household member currently engaged in, or has engaged in any criminal activities within ten years for felony criminal activity or five years for misdemeanor criminal activity of the full intake application date will be denied admission for at least ten years for felony criminal activity or five years for misdemeanor criminal activity from the most recent court disposition date. Criminal Activities is described as drug-related criminal activity, violent-criminal activity, or any other criminal activity that may threaten the health, safety or right to peaceful enjoyment of other residents.

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*Evidence of such criminal activity includes, but is not limited to the following:*

- *Any conviction, deferred adjudication and/or probation for any drug-related, violent criminal activity, or any other criminal activity within ten years for felony criminal activity or five years for misdemeanor criminal activity of the full intake application date;*
- *Any record of eviction from public or privately –owned housing as a result of criminal activity within*

*ten years of the date of full intake application date.*

The PHA will not consider juvenile adjudications that do not qualify as convictions under state law as evidence of criminal activity.

If the applicant's past criminal active was the consequence of acts of domestic violence, dating violence, or stalking against him or her, the PHA will not deny admission.

Any family/household member who has been convicted of murder, manslaughter, homicide or attempted murder and has since been paroled will not be eligible for assistance for 20 years from date of court disposition with no further infractions on criminal background check.

The PHA reserves the right to deny admission in regard to any imperfect criminal background check, misdemeanor or felony.

A family will be denied admission if any member of the household is subject to a lifetime registration requirement under a State sex-offender registration program. (Mandatory bar under federal statute.) Any convicted sex-offender (with or without the lifetime requirement) will be denied admission into the program.

#### **H. TENANT SCREENING**

The PHA will take into consideration any of the criteria for admission described in the "Denial or Termination of Assistance" chapter 15.

The PHA will not screen family behavior or suitability for tenancy. The PHA will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening the families based on their tenancy histories, including such factors as: [24 CFR 982.307(a) (3)]

- Payment of rent and utility bills
- Caring for a unit and premises
- Respecting the rights of other residents to the peaceful enjoyment of their housing
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and
- Compliance with other essential conditions of tenancy.

The PHA may give the owner:

- The family's current and prior address as shown in the PHA's records; and
- The name and address (if known by the PHA) of the landlord at the family's current and prior address. The same types of information will be supplied to all owners, if requested.

The PHA will advise families how to file a complaint if they have been discriminated against by an owner. The PHA will advise the family to make a Fair Housing complaint.

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#### **I. CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT**

Changes that occur during the period between issuance of a voucher and lease-up may affect the family's eligibility or share of the rental payment and must be reported at the time the change occurs to re-determine eligibility prior to move in.

**J. INELIGIBLE FAMILIES**

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to non-citizen status. See “Complaints and Appeals” chapter 18 for additional information about reviews and hearings.

**K. PROHIBITED ADMISSIONS CRITERIA**

Admission to the program may not be based on where the family lives before admission to the program.

Admission to the program may not be based on:

Where a family lives prior to admission to the program.

Where the family will live with assistance under the program within PHA jurisdiction.

Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.

Discrimination because a family includes children.

Whether a family decides to participate in a family self sufficiency program; or

Other reasons as listed in the “Statement of Policies and Objectives” Chapter 1 under the Fair Housing and Reasonable Accommodations sections F & G.

**Prohibition on Who May Apply**

Certain families will be prohibited from placement on the waiting list. Previously assisted families who left the Housing program in violation of their Housing Family Obligations requiring that the family give proper notice to the owner and PHA prior to vacating the unit will not be permitted to apply for placement on the waiting list for ten years from the termination date of assistance.

Any applicant family whose household includes a person with a drug-related, alcohol-related or violent criminal history will not be eligible for placement on the waiting list for ten years for felony criminal activity or five years for misdemeanor criminal activity from the date of court disposition.

If an applicant applies for placement on the waiting list, and is subsequently determined as ineligible based on the above-referenced prohibitions, the application will be removed from the waiting list. The PHA will notify the applicant in writing of the reasons why the application was denied, and the applicant will be given opportunity for an informal review.

If an applicant falsifies the application or makes false statements in order to qualify for placement on the waiting list, the application will be removed from the waiting list.

**L. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, AND STALKING [Pub.L. 109-162]**

The Violence Against Women Reauthorization Act of 2005 (VAWA) prohibits denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking. Specifically, Section 606(1) of VAWA adds the following provision to Section 8 of the U.S. Housing Act of 1937, which lists contract provisions and requirements for the housing choice

voucher program:

- That an applicant or participant is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate reason for denial of program assistance or for denial of admission, if the applicant otherwise qualifies for assistance or admission.

### Definitions

As used in VAWA:

- The term **domestic violence** includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
- The term ***dating violence*** means 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
- The term ***stalking*** means:
  - 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.
- The term ***immediate family member*** means, with respect to a person:
  - A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or
  - Any other person living in the household of that person and related to that person by blood and marriage.

### Notification and Victim Documentation

The PHA acknowledges that a victim of domestic violence, dating violence, or stalking may have an unfavorable history that would warrant denial under the PHA's policies.

Therefore, if the PHA makes a determination to deny admission to an applicant family, the PHA will include in its notice of denial a statement of the protection against denial provided by VAWA and will offer the applicant the opportunity to provide documentation affirming that the cause of the

unfavorable history is that a member of the applicant family is or has been a victim of domestic violence, dating violence, or stalking.

The documentation must include two elements:

A signed statement by the victim that provides the name of the perpetrator and certifies that the incidents in question are bona fide incidents of actual or threatened domestic violence, dating violence, or stalking, and

One of the following:

A police or court record documenting the actual or threatened abuse, or

A statement signed by an employee, agent, or volunteer of a victim service provider; an attorney; a medical professional; or another knowledgeable professional from whom the victim has sought assistance in addressing the actual or threatened abuse. The professional must attest under penalty of perjury that the incidents in question are bona fide incidents of abuse, and the victim must sign or attest to the statement.

The applicant must submit the required documentation with her or his request for an informal review or must request an extension in writing at that time. If the applicant so requests, the PHA will grant an extension of 10 business days, and will postpone scheduling the applicant's informal review until after it has received the documentation or the extension period has elapsed. If after reviewing the documentation provided by the applicant the PHA determines the family is eligible for assistance, no informal review will be scheduled and the PHA will proceed with admission of the applicant family.

#### **Perpetrator Removal or Documentation of Rehabilitation**

In cases where an applicant family includes the perpetrator as well as the victim of domestic violence, dating violence, or stalking, the PHA will proceed as above but will require, in addition, either (a) that the perpetrator be removed from the applicant household and not reside in the assisted housing unit or (b) that the family provide documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment.

If the family elects the second option, the documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully.

The victim and perpetrator must also sign or attest to the documentation. This additional documentation must be submitted within the same time frame as the documentation required above from the victim.

#### **PHA Confidentiality Requirements**

All information provided to the PHA regarding domestic violence, dating violence, or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence and may neither be entered into any shared database nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law.



## **CITY OF PASADENA HOUSING PROGRAM VIOLENCE AGAINST WOMEN ACT (VAWA) POLICY**

### **I. PURPOSE AND APPLICABILITY**

The purpose of this policy is to implement the requirements of the Violence Against Women Act (VAWA) with respect to the responsibilities of the PHA regarding domestic violence, dating violence, sexual assault and stalking. This policy shall be applicable to all of the federally-subsidized housing programs administered by the PHA and shall be part of the Housing Choice Voucher Administrative Plan. Protections under this policy are available to all victims regardless of sex, gender identity, or sexual orientation and will be applied consistent with all nondiscrimination and fair housing requirements.

### **II. GOALS AND OBJECTIVES**

- A. Maintaining compliance with all applicable legal requirements imposed by VAWA**
- B. Ensuring the physical safety of victims of actual or threatened domestic violence, dating violence, sexual assault and stalking**
- C. Providing and maintaining housing opportunities for victims of domestic violence, dating violence, sexual assault and stalking**
- D. Creating and maintaining collaborative arrangements between the PHA, law enforcement authorities, victim service providers and others to promote the safety and well-being of victims of actual or threatened domestic violence, dating violence, sexual assault and stalking**
- E. Taking appropriate action in response to an incident or incidents of domestic violence, dating violence, sexual assault and stalking affecting individuals assisted by the PHA**

### III. DEFINITIONS

- A. **Domestic Violence** - includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child, by a person who is living with or has lived with the victim as a spouse or intimate partner, 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.
- B. **Spouse or Intimate Partner** - includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.
- C. **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 is determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship.
- D. **Sexual Assault** - is any type of sexual contact or behavior that occurs without the explicit consent of the recipient, including when the individual lacks capacity to consent
- E. **Stalking** - engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for the person's individual safety or the safety of others, or suffer substantial emotional distress
- F. **Affiliated individual** - with respect to an individual, means
  - (1) a spouse, parent, brother, sister, or child of that individual, or a person to whom that individual stands in the place of a parent or guardian (for example, the affiliated individual is a person in the care, custody, or control of that individual); or
  - (2) any other person living in the household of that individual
- G. **Perpetrator** - a person who commits acts of domestic violence, dating violence, sexual assault, or stalking against a victim

- H. VAWA Self Petitioner - refers to noncitizens who claim to be victims of "battery or extreme cruelty." Battery or extreme cruelty includes domestic violence, dating violence, sexual assault, and stalking. VAWA allows these noncitizens to self-petition for Lawful Permanent Resident (LPR) status without the cooperation of or knowledge of their abusive relative

#### IV. NOTIFICATIONS PROVIDED

- A. All applicants and tenants of all PHA Housing Programs will be provided HUD-5380, "Notification of Occupancy Rights Under the Violence Against Women Act (VAWA)" and HUD-5382, "Certification of Domestic Violence, Dating violence, Sexual Assault, or Stalking and Alternate Documents" at the following times:
  - (1) at time of denial of assistance or admission
  - (2) at time of providing of assistance or admission
  - (3) at any eviction or termination
  - (4) at recertification or lease renewal
- B. These forms will be provided in the applicable language, if necessary, in accordance with Executive Order 13166 (Improving Access to Services for Persons with Limited English Proficiency).

#### V. ADMISSIONS AND SCREENING

- A. Non-Denial of Assistance - The PHA will not deny assistance or admission to any person because that person is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, provided that such person is otherwise qualified for admission.
- B. Mitigation of Disqualifying Information
  - (1) An applicant for assistance whose history includes incidents in which the applicant was a victim of domestic violence, may request that the PHA take such information into account in mitigation of potentially disqualifying information, such as poor credit history or previous damage to a dwelling.
  - (2) If requested by an applicant to take such mitigating information into account, the PHA shall be entitled to conduct such inquiries as are reasonably necessary to verify the claimed history of domestic

violence and its probable relevance to the potentially disqualifying information.

- (3) The PHA will not disregard or mitigate potentially disqualifying information if the applicant household includes a perpetrator of a previous incident or incidents of domestic violence.

## **VI. TERMINATION OF TENANCY OR ASSISTANCE**

### **A. VAWA Protections**

- (1) A tenant may not be denied tenancy or occupancy rights solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking if
  - a. the criminal activity is engaged in by a member of the household of the tenant or any guest or other person under the control of the tenant and
  - b. the tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking
- (2) An incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall not be considered as a serious or repeated violation of the lease by the victim or threatened victim or good cause for terminating the assistance, tenancy or occupancy rights of the victim or threatened victim of such incident.

### **B. Limitations of VAWA Protections**

- (1) Nothing in the above section limits the authority of the PHA to comply with a court order with respect to the rights of access or control of property, including civil protection orders issued to protect a victim of domestic violence, dating violence, sexual assault, or stalking, or the distribution or possession of property among members of a household.
- (2) Nothing in the above section limits any available authority of the PHA to evict or terminate assistance to a tenant for any violation not premised on an act of domestic violence, dating violence, sexual assault, or stalking. However, the PHA will not hold to a more demanding standard, a tenant or an affiliated

individual who is or has been a victim of or domestic violence, dating violence, sexual assault, or stalking

- (3) Nothing in the above section limits the authority of the PHA to evict or terminate from assistance any tenant or lawful applicant if
  - a. PHA can demonstrate an actual and imminent threat to other tenants or to those employed at or providing service to the property, if the tenant is not evicted or terminated from the assistance, and
  - b. no other actions that could be taken to reduce the threat have been successful, including transferring the victim to a different unit, barring the perpetrator from the property, involving law enforcement, or seeking other legal remedies to prevent the perpetrator from acting on a threat.

## VII. VERIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

- A. Requirement for Verification. Subject only to waiver as provided in paragraph D below, the PHA shall require verification in all cases where an individual requests protection against an action involving domestic violence, dating violence, sexual assault, or stalking. Verification may be accomplished in one of three ways:
  - (1) Completing HUD-5382, "Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking"
  - (2) Other documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the side effects of the abuse, described in such documentation. The professional providing the documentation must sign and attest under penalty of perjury that the incident or incidents in question are bona fide and meet the requirements of the applicable definition set forth in this policy.
  - (3) Police or court record - provided to the PHA by federal, state, tribal, or local police or court record describing the incident or incidents in question.

- B. **Time Allowed.** An individual who claims protection against adverse action based on an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking, and who is requested by the PHA to provide verification, must provide such verification within 14 business days after receipt of the request for verification. Failure to provide verification, in proper form within such time will result in loss of protection under VAWA and this policy against a proposed adverse action.
- C. If the PHA receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms 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 abuser or perpetrator), the PHA has the right to request that the tenant provide third-party documentation within thirty 30 calendar days in order to resolve the conflict. Failure to provide third-party documentation where there is conflicting evidence will result in loss of protection under VAWA and this policy against a proposed adverse action.
- D. **Waiver of verification requirement.** With respect to any specific case, the PHA may waive the above-stated requirements for verification and provide the benefits of this policy based on the victim's statement or other corroborating evidence. Such waiver may be granted in the sole discretion of the Administrator. Any such waiver must be in writing. Waiver in a particular instance or instances shall not operate as precedent for, or create any right to, waiver in any other case or cases, regardless of similarity in circumstances.

#### VIII. NON-CITIZEN SELF-PETITIONER VERIFICATION

- A. Financial assistance to ineligible noncitizens will not be denied while verifying immigration status.
- B. Self-petitioners can indicate that they are in "satisfactory immigration status" when applying for assistance or continued assistance. "Satisfactory immigration status" means an immigration status which does not make the individual ineligible for financial assistance. After verifying such immigration status in the Department of Homeland Security (DHS) Systematic Alien Verification for Entitlements (SAVE) System, PHAs will make a final determination as to the self-petitioner's eligibility for assistance.

- C. In order to qualify, the noncitizen victim must have been battered or subjected to extreme cruelty by their spouse or parent, who is a U.S. citizen or LPR (Lawfully Permanent Resident).
- D. Once a PHA receives a self-petition (INS Form I-360 or I-130) or INS Form 797, PHA will not request any additional information from the VAWA self-petitioner, other than what is required using the SAVE system to complete the verification.
- E. When a PHA receives a self-petition or INS Form 797 Notice of Action, the PHA will initiate verification in the SAVE System
- F. Final determination from the SAVE System. PHA will receive one of two confirmations:
  - (1) the VAWA self-petition is verified, in which case the applicant is immediately eligible for housing and no evidence of battery or extreme cruelty shall be requested or collected;
  - (2) the I-130 is verified, in which case the petitioner submitting a family-based visa petition must provide to the PHA any evidence of "battery or extreme cruelty."
- G. Housing assistance and all other VAWA protections will be granted to the self-petitioner throughout the verification process until a final determination of LPR (Lawful Permanent Resident) status is made. If the final determination is to deny the VAWA self-petition or LPR petition, the PHA must alert the petitioner and take actions to terminate voucher assistance or evict the petitioner from public housing in accordance with the existing public housing requirements.

## IX. EMERGENCY TRANSFER PLAN

### A. Eligibility for Transfer

In accordance with the Violence Against Women Act (VAWA) the PHA allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit, regardless of sex, gender identity, or sexual orientation. The ability of the PHA to honor such request for tenants currently receiving assistance may depend upon

- (1) a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and

- (2) on whether the PHA has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

**B. Requesting a transfer**

- (1) To request an emergency transfer the tenant shall notify the PHA office and submit a written request for a transfer (HUD-5383). The PHA will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:
  - a. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under the PHA's program; or
  - b. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.
- (2) The PHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. However, the PHA will act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit.
- (3) If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit.
- (4) If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The PHA may be unable to transfer a tenant to a particular unit if the tenant cannot establish eligibility for that unit.
- (5) In cases where the PHA determines that the family's decision to move out of the PHA housing was reasonable under the circumstances, the PHA may wholly or partially waive rent payments and any rent owed shall be reduced by the amounts of rent collected for the remaining lease term from a tenant subsequently occupying the unit.

- (6) **Portability** - An HCV-assisted tenant will not be denied portability to a unit located in another jurisdiction so long as the tenant has complied with all other requirements of the Housing Choice Voucher program and has moved from the unit in order to protect the health or safety of an individual member of the household who is or has been the victim of domestic violence, dating violence, sexual assault or stalking and who reasonably believes that the tenant or other household member will be imminently threatened by harm from further violence if the individual remains in the present dwelling unit.
- (7) If the PHA has no safe and available units for which a tenant who needs an emergency is eligible, the PHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move.
- (8) At the tenant's request, the PHA will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

**C. Safety and Security of Tenants**

- (1) **Confidentiality** - The PHA will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives the PHA written permission to release the information on a time limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant.
- (2) Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.
- (3) Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

- (4) Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.
- (5) Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

## **X. OTHER REMEDIES**

### **A. Lease Bifurcation**

- (1) the PHA may bifurcate a lease; that is, remove a household member from a lease in order to evict, remove, terminate occupancy rights, or terminate assistance to that member who engages in criminal activity related to of domestic violence, dating violence, sexual assault, or stalking. In such a case, it does not matter that the perpetrator was a signatory to the lease and the victim is allowed to stay in the unit or on the program.
- (2) In removing the perpetrator from the household, the PHA will follow all federal, state and local eviction procedures.
- (3) If the evicted person was the eligible person in the household, the remaining tenants will be given 90 days from the date of bifurcation of the lease to:
  - a. establish eligibility for the program they are currently under
  - b. establish eligibility under another program, or
  - c. find alternative housing

### **B. Efforts to promote housing stability**

The PHA will make every effort that is feasible and permissible to assist victims to remain in their units or other units of the PHA and/or retain assistance.

### **C. Relationships with service providers**

It is the policy of the PHA to cooperate with organizations and entities, both private and governmental, that provide shelter and/or services to victims of domestic violence. If the PHA becomes aware that an individual assisted by the PHA is a victim of domestic violence, dating violence, sexual assault or stalking, the PHA will refer the victim to such providers of shelter or services as appropriate. Notwithstanding the foregoing, this Policy does not create any legal obligation requiring the PHA either to maintain a relationship with any particular provider of shelter or services to victims of domestic violence or to make a referral in any particular case. The PHA's annual Public Housing Agency Plan shall describe providers of shelter or services to victims of domestic violence with which the PHA has referral or other cooperative relationships.

**ATTACHMENT I  
LOCAL RESOURCES FOR VICTIMS DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING**

**SOCIAL SERVICES RESOURCES**

<b>NAME</b>	<b>ADDRESS</b>	<b>AREA</b>	<b>PHONE</b>	<b>SERVICE</b>
UPLIFT HOUSE	6550 HOGUE	HOUSTON	800-755-1458	SHELTER
SALVATION ARMY CENTER	2732 CHERRYBROOK LN	PASADENA	713-378-0020	FOOD, CLOTHING, SENIOR PROGRAM, EMERGENCY DISASTER SERVICES
SALVATION ARMY - FAMILY CTR	1603 MCGOWEN	HOUSTON	713-650-6530	SHELTER
STAR OF HOPE	419 DOWLING	HOUSTON	713-227-8900	SHELTER
CONVENANT HOUSE	1111 LOVETT	HOUSTON	713-523-2231	SHELTER- MEN & WOMEN UNDER 21
THE BRIDGE OVER TROUBLED WATERS	3811 ALLEN GENOA	HARRIS COUNTY	713-473-2801	SHELTER FOR WOMEN, MEN
SARA'S HOUSE	711 PERLA	PASADENA	713-475-1480	SHELTER, MEALS, CLOTHING
ST. PIUS V SOCIAL ACTION OFFICE CHURCH	824 MAIN ON MARVICK SIDE	PASADENA	713-473-9484	FOOD PANTRY
FIRST UNITED METHODIST CHURCH	1062 FAIRMONT PKWY	PASADENA	281-487-1774	RENT, UTILITIES, FOOD
BETHEL'S HEAVENLY HANDS SOUTHEAST AREA MINISTRIES (SEAM)	12660 SANDPIPER DR. 2102 HOUSTON BLVD.	HARRIS COUNTY SOUTHEAST	713-729-6477 713-944-0093	FOOD, CLOTHING RENT, UTILITIES, FOOD, CLOTHING
PASADENA COMMUNITY MINISTRIES	2301 SOUTH HOUSTON RD	PASADENA	713-477-4336	RENT, UTILITIES, FOOD, CLOTHING
GULF COAST COMMUNITY SERVICES	9320 KIRBY DR	SOUTHEAST	713-393-4700	RENT, UTILITIES, FOOD, CLOTHING, BUS PASSES
HARRIS COUNTY SOCIAL SERVICES	3737 RED BLUFF	PASADENA	713-472-5360	RENT, UTILITIES
HARRIS COUNTY SOCIAL SERVICES	9418 JENSEN DRIVE	HARRIS COUNTY	713-696-7900	RENT, UTILITIES, BEREAVEMENT, VETERAN SERVICES
SHELTERING ARMS SENIOR SERVICES	EAST END- RIPLEY COMMUNITY CENTER	PASADENA	713-685-6577	CASE MGMT., GIVER SUPPORT
UNITED WAY OF GREATER HOUSTON	1300 BAY AREA BLVD	HOUSTON	211	REFERRALS FOR SHELTER, RENT, UTILITIES, FOOD, DOMESTIC VIOLENCE, SUBSTANCE ABUSE
HOUSTON AREA WOMEN CENTER	1010 WAUGH DR	HOUSTON	713-528-2121	SHELTER, RESOURCES
HOUSTON AREA WOMEN CENTER	1010 WAUGH DR	HOUSTON	713-528-6798	RAPE CRISIS
CRISIS PREGNANCY HOTLINE			1-800-CARE-NET	FREE, CONFIDENTIAL PREGNANCY TESTS
EMERGENCY AID COALITION CITY OF PASADENA	5501 FANNIN	HARRIS COUNTY	713-528-3663	FOOD, CLOTHING, SCHOOL SUPPLIES, SCHOOL UNIFORMS, BACKPACKS
MADISON JOBE CENTER	1700 E. THOMAS	PASADENA	713-477-0175	ACTIVITIES, EVENTS, RESOURCES FOR SENIOR CITIZENS
CLEVELAND-RIPLEY NEIGHBORHOOD CENTER, INC	720 FAIRMONT	PASADENA	713-944-9186	FOOD PANTRY, DAYCARE INFO
AMERICAN RED CROSS		PASADENA	713-526-8300	HOUSING & FOOD FOR FAMILIES DISPLACED BY A DISASTER
TDHS	2702 CHERRYBROOK	PASADENA	713-947-8130	FOOD STAMPS, AFDC & MEDICARE PROGRAMS
TDHS	10060 FUQUA	HOUSTON	713-946-6861	FOOD STAMPS, AFDC & MEDICARE PROGRAMS

## ATTACHMENT II

### City of Pasadena Housing Program

#### Notice of Occupancy Rights under the Violence Against Women Act<sup>1</sup>

##### To all Tenants and Applicants

The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation.<sup>2</sup> The U.S. Department of Housing and Urban Development (HUD) is the Federal agency that oversees that City of Pasadena Housing Program is in compliance with VAWA. This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA.”

##### Protections for Applicants

If you otherwise qualify for assistance under City of Pasadena Housing Program, you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

<sup>1</sup> Despite the name of this law, VAWA protection is available regardless of sex, gender identity, or sexual orientation.

<sup>2</sup> Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

## **Protections for Tenants**

If you are receiving assistance under the **City of Pasadena Housing Program**, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if you or an affiliated individual of yours is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of your household or any guest, you may not be denied rental assistance or occupancy rights under **City of Pasadena Housing Program** solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

Affiliated individual means your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.

## **Removing the Abuser or Perpetrator from the Household**

The PHA may divide (bifurcate) your lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

If the PHA chooses to remove the abuser or perpetrator, the PHA may not take away the rights of eligible tenants to the unit or otherwise punish the remaining tenants. If the evicted abuser or perpetrator was the sole tenant to have established eligibility for

assistance under the program, the PHA must allow the tenant who is or has been a victim and other household members to remain in the unit for a period of time, in order to establish eligibility under the program or under another HUD housing program covered by VAWA, or, find alternative housing.

In removing the abuser or perpetrator from the household, the PHA must follow Federal, State, and local eviction procedures. In order to divide a lease, the PHA may, but is not required to, ask you for documentation or certification of the incidences of domestic violence, dating violence, sexual assault, or stalking.

### **Moving to Another Unit**

Upon your request, the PHA may permit you to move to another unit, subject to the availability of other units, and still keep your assistance. In order to approve a request, the PHA may ask you to provide documentation that you are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the housing provider may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

**(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking.** If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation, as described in the documentation section below.

**(2) You expressly request the emergency transfer.** Your housing provider may choose to require that you submit a form, or may accept another written or oral request.

**(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

**OR**

**You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer.** If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you expressly request the transfer.

The PHA will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families.

The PHA's emergency transfer plan provides further information on emergency transfers, and the PHA must make a copy of its emergency transfer plan available to you if you ask to see it.

## **Documenting You Are or Have Been a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking**

The PHA can, but is not required to, ask you to provide documentation to “certify” that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from the PHA must be in writing, and the PHA must give you at least 14 business days (Saturdays, Sundays, and Federal holidays do not count) from the day you receive the request to provide the documentation. The PHA may, but does not have to, extend the deadline for the submission of documentation upon your request.

You can provide one of the following to the PHA as documentation. It is your choice which of the following to submit if the PHA asks you to provide documentation that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- A complete HUD-approved certification form given to you by the PHA with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for your name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.
- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.

- A statement, which you must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, “professional”) from whom you sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by you attesting under penalty of perjury that he or she believes that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.
- Any other statement or evidence that the PHA has agreed to accept.

If you fail or refuse to provide one of these documents within the 14 business days, the PHA does not have to provide you with the protections contained in this notice.

If the PHA receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms 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 abuser or perpetrator), the PHA has the right to request that you provide third-party documentation within thirty 30 calendar days in order to resolve the conflict. If you fail or refuse to provide third-party documentation where there is conflicting evidence, the PHA does not have to provide you with the protections contained in this notice.

## **Confidentiality**

The PHA must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA.

The PHA must not allow any individual administering assistance or other services on behalf of the PHA (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

The PHA must not enter your information into any shared database or disclose your information to any other entity or individual. The PHA, however, may disclose the information provided if:

- You give written permission to the PHA to release the information on a time limited basis.
- The PHA needs to use the information in an eviction or termination proceeding, such as to evict your abuser or perpetrator or terminate your abuser or perpetrator from assistance under this program.
- A law requires the PHA or your landlord to release the information.

VAWA does not limit the PHA duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

## **Reasons a Tenant Eligible for Occupancy Rights under VAWA May Be Evicted or Assistance May Be Terminated**

You can be evicted and your assistance can be terminated for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against you. However, the PHA cannot hold tenants who have been victims of domestic violence, dating violence, sexual assault, or stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and you could be evicted and your assistance terminated, if the PHA can demonstrate that not evicting you or terminating your assistance would present a real physical danger that:

- 1) Would occur within an immediate time frame, and
- 2) Could result in death or serious bodily harm to other tenants or those who work on the property.

If the PHA can demonstrate the above, the PHA should only terminate your assistance or evict you if there are no other actions that could be taken to reduce or eliminate the threat.

### **Other Laws**

VAWA does not replace any Federal, State, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking. You may be entitled to additional housing protections for victims of domestic violence, dating violence, sexual assault, or stalking under other Federal laws, as well as under State and local laws.

### **Non-Compliance with The Requirements of This Notice**

You may report the PHA's violations of these rights and seek additional assistance, if needed, by contacting or filing a complaint with the **U.S. Department of Housing and Urban Development**.

**For Additional Information**

You may view a copy of HUD's final VAWA rule at

<https://www.hud.gov/offices/pih/pha/vawa.pdf>

Additionally, the PHA must make a copy of HUD's VAWA regulations available to you if you ask to see them.

For questions regarding VAWA, please contact **City of Pasadena Housing Program at 713-475-5544**

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact **The Bridge over Troubled Waters at 713-473-2801**

For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

For help regarding sexual assault, you may contact **The Bridge over Troubled Waters at 713-473-2801**

Victims of stalking seeking help may contact **The Bridge over Troubled Waters at 713-473-2801**

**Attachment:** Certification form HUD-5382

## ATTACHMENT III

**CERTIFICATION OF  
DOMESTIC VIOLENCE,  
DATING VIOLENCE,  
SEXUAL ASSAULT, OR STALKING,  
AND ALTERNATE DOCUMENTATION**

**U.S. Department of Housing  
and Urban Development**

OMB Approval No. 2577-0286  
Exp. 06/30/2017  
HUD-5382

**Purpose of Form:** The Violence Against Women Act (“VAWA”) protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

**Use of This Optional Form:** If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

- (1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, “professional”) from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of “domestic violence,” “dating violence,” “sexual assault,” or “stalking” in HUD’s regulations at 24 CFR 5.2003.
- (2) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
- (3) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

**Submission of Documentation:** The time period to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time period to submit the documentation, if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

**Confidentiality:** All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

**TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING**

1. Date the written request is received by victim: \_\_\_\_\_

2. Name of victim: \_\_\_\_\_

3. Your name (if different from victim's): \_\_\_\_\_

4. Name(s) of other family member(s) listed on the lease: \_\_\_\_\_

\_\_\_\_\_

5. Residence of victim: \_\_\_\_\_

6. Name of the accused perpetrator (if known and can be safely disclosed): \_\_\_\_\_

\_\_\_\_\_

7. Relationship of the accused perpetrator to the victim: \_\_\_\_\_

8. Date(s) and times(s) of incident(s) (if known): \_\_\_\_\_

\_\_\_\_\_

10. Location of incident(s): \_\_\_\_\_

In your own words, briefly describe the incident(s):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature \_\_\_\_\_ Signed on (Date) \_\_\_\_\_

**Public Reporting Burden:** The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.

## Chapter 3

### APPLYING FOR ADMISSION

#### INTRODUCTION

The policy of the PHA is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but the PHA will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the waiting list in accordance with this Plan.

#### A. OVERVIEW OF THE APPLICATION TAKING PROCESS

The purpose of pre-application taking is to permit the PHA to gather information and determine placement on the waiting list. The pre-application will contain questions designed to obtain pertinent program information.

Families who wish to apply for any of the PHA's programs must complete a written pre-application form when the waiting list is open. This establishes the head of household for the voucher.

The application process will involve two phases. The first is the "initial" application for assistance (referred to as a pre-application). This first phase results in the family's placement on the waiting list. The pre-application will be date and time-stamped upon receipt. The waitlist application data entered into the system will be reviewed with a hard-copy placed in the designated application area until such time as it is needed for processing.

The second phase is the "final determination of eligibility" (referred to as the full application). The full application takes place when the family reaches the top of the waiting list. At this time the PHA ensures that verification of all HUD and PHA eligibility factors are current in order to determine the family's eligibility for the issuance of a voucher.

#### B. OPENING/CLOSING OF APPLICATION TAKING

The PHA will utilize the following procedures for opening the waiting list.

When the PHA opens the waiting list, the PHA will advertise through public notice in the local newspaper of record. Notices will also be sent to local social service agencies for posting in their general population areas.

The notice will provide potential applicants with information that includes where applications may be obtained, how to submit an application, and how long the waiting list may remain open for new applicants.

#### When Application Taking Is Suspended

Applications must be received by the PHA within the time and deadline specified on the public notice.

Suspension of application taking is announced in the same way as opening the waiting list, and can be announced with the same posting for the opening.

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations for at least 24 months.

### **Limits on Who May Apply**

When the waiting list is open, any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete a pre-application as specified in the public notice.

When the pre-application is submitted to the PHA, it establishes the family's date and time of application for placement order on the waiting list.

### **C. "INITIAL" APPLICATION PROCEDURES**

The PHA will utilize a preliminary-application. The information is to be completed by the applicant whenever possible, but must be received by the PHA within the specified time and deadline stated in the public notice.

During the open application period, the PHA may accept applications as specified in the public notice.

The PHA will not accept applications via telephone, fax, mail, or e-mail. The original pre-application format must be submitted as specified in the public notice.

The purpose of the pre-application is to permit the PHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list.

Duplicate applications, including applications from a segment of an applicant household, will not be accepted. Ineligible families will not be placed on the waiting list.

Pre-applications will not require an interview. Some initial applicant information may be verified to determine eligibility or placement on the waiting list, especially if the applicant is claiming a preference. The final eligibility process may not be determined until the applicant has been selected to receive assistance and preference documents have been received and verified.

### **D. APPLICANT STATUS WHILE ON WAITING LIST**

Applicants are required to inform the PHA in writing of changes in address. Applicants are also required to respond to requests from the PHA to update information on their application and to determine their continued interest in assistance. Failure to provide information or to respond to mailings will result in the applicant being removed from the waiting list.

### **E. TIME OF SELECTION**

When funding is available, families will be selected from the waiting list by date and time of application and preference-determined sequence, regardless of family size.

When there is insufficient funding available for the family at the top of the list, the PHA will not admit any other applicant until funding is available for the first applicant. Applicants will not be passed over on the waiting list.

Based on the PHA's turnover and the availability of funding, families may be selected from the waiting list to form a final eligibility "pool." Selection from the pool will be based on waiting list sequence/completion of verification.

## **F. COMPLETION OF A FULL APPLICATION**

**All preferences claimed on a pre-application or while a family is on the waiting list will be verified during the full application process at the time the applicant reaches the top of the waiting list.**

**The qualification for preference must exist at the time the preference is claimed and verified regardless of the length of time an applicant has been on the waiting list as the preference is based on verified information at full application process and when voucher is issued.**

**After the preference is verified and when the PHA is ready to select applicants, applicants will be required to complete the *City of Pasadena's Housing Choice Voucher Program Family Certification Form Packet*, which includes all HUD required forms and any other Pasadena Housing Program forms and releases along with a full intake application. This packet may be mailed or handed out at the time of scheduled appointment.**

### **Requirement to Attend Interview**

**The PHA utilizes the full application interview to discuss the family's circumstances in greater detail, to clarify information which has been provided by the family, and to ensure that the information is complete. The interview may be conducted virtually, in person or by telephone. The interview is also used as a vehicle to meet the informational needs of the family by providing information about the application and verification process, as well as to advise the family of other PHA services or programs which may be available.**

**Both the head of household and spouse should attend the interview. If the head of household cannot attend the interview, the spouse may attend to complete the certification process, but the head of household will be required to attend a later interview to review the information and to certify by signature that all of the information is complete and accurate.**

**It is the applicant's responsibility to reschedule the interview if he/she misses the appointment. If the applicant does not reschedule or misses one scheduled appointment, the PHA will reject the applicant and a notice of denial will be sent.**

**Applicants who fail to appear and want to reschedule a missed appointment must make the request in writing to reschedule no later than five days from the original appointment date. If an applicant fails to appear for their interview without prior approval of the PHA, their application will be denied unless they can provide acceptable documentation to the PHA that an emergency prevented them from calling.**

**Reasonable accommodations will be made for persons with a disability who require an advocate or accessible offices. A designee will be allowed to provide some information, but only with written permission of the person with a disability.**

**All adult members (18 & over) must sign the HUD Form 9886, Release of Information, the application form and all supplemental forms required by the PHA, the declarations and consents related to citizenship/immigration status and any other documents required by the PHA. Applicants will be required to sign specific verification forms for information which is not covered by the HUD form 9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and release as required by the PHA.**

**Information provided by the applicant will be verified including information related to family composition, income, allowances and deductions, assets, eligible immigration status, full time student status and other factors related to preferences, eligibility and rent calculation. Verifications may not be more than 60 days old at the time of voucher issuance in accordance with 24 CFR 982.201 (e).**

If the PHA determines at or after the interview that additional information or documents are needed, the PHA will request the documents or information in writing. The family will be given ten days to supply the information. If the information is not supplied in this time period, the PHA will provide the family a notification of denial for assistance.

**G. VERIFICATION**

Information provided by the applicant will be verified, using the verification procedures in the “Verification Procedures” Chapter 7. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 60 days old at the time of issuance of the Voucher in accordance with 24 CFR 982.201(e).

**H. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY**

After the verification process is completed, the PHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by the PHA, and the current eligibility criteria in effect. If the family is determined to be eligible, the family may be issued a voucher for housing assistance.

## Chapter 4

### ESTABLISHING PREFERENCE AND MAINTAINING THE WAITING LIST

#### INTRODUCTION

It is the PHA's objective to ensure that the families are placed in the proper order on the waiting list and selected from the waiting list for admissions in accordance with the policies in this Administrative Plan.

This chapter defines the eligibility criteria for local preference and explains the PHA's system of applying them.

By maintaining an accurate waiting list, the PHA will be able to perform the activities which ensure that an adequate pool of qualified applicants will be available so that program funds are used in a timely manner.

#### A. WAITING LIST

The PHA uses a single waiting list for admission to its Section 8 tenant-based assistance program.

Except for Special Admissions, applicants will be selected from the PHA waiting list in accordance with policies, preferences and income targeting requirements defined in this Administrative Plan.

The PHA will maintain information that permits proper selection from the waiting list.

The waiting list contains the following information for each applicant listed:

- Applicant name
- Gender
- DOB
- SS#
- Family unit size (number of bedrooms family qualifies for under PHA subsidy standards)
- Date and time of application
- Racial or ethnic designation of the head of household
- Preference claimed
- Annual gross income
- Number of persons in the family

#### B. SPECIAL ADMISSIONS

If HUD awards a PHA program funding that is targeted for specifically named families, the PHA will admit these families under a Special Admission procedure.

Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preference, nor are they required to be on the program waiting list. The PHA maintains separate records of these admissions.

The following are examples of types of program funding that may be designated by HUD for families living in a specified unit:

**A family displaced because of demolition or disposition of a public or Indian housing project;**

**A family residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;**

**For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990;**

**A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and**

**A non-purchasing family residing in a HOPE 1 or HOPE 2 project.**

### **C. WAITING LIST PREFERENCES**

**If an applicant makes a false statement in order to qualify for a local preference, the PHA will deny admission to the program for the family.**

### **D. LOCAL PREFERENCE**

**Preferences will be ranked in the following order:**

- 1. Veteran Homeless Residency Preference: For U.S. Military Homeless Veterans who live within the city limits of Pasadena, Texas who have an honorable discharge or condition from the U.S. Military and qualify as homeless as federally defined by Section 103 of the McKinney Vento Act (42 U.S.C. 11302).**

**U.S. Veteran Residents who live in Pasadena: Applicant must be a U.S. Veteran as defined in this plan, who lives within city limits of Pasadena; and is homeless with verification provided from a homeless service provider. The only documents accepted as proof of military service is a valid Certificate of Release or Discharge from Active Duty (DD214) with an honorable discharge or honorable condition in the U.S. Military.**

- 2. Veteran Residency Preference: For U.S. Military Veterans who live within the city limits of Pasadena, Texas who have an honorable discharge or condition from the U.S. Military.**

**U.S. Veteran Residents who live in Pasadena: Applicant must be a U.S. Veteran as defined in this plan, who lives within city limits of Pasadena; address cannot be a mailing address. The only documents accepted as proof of residency are as follows: Current lease agreement with three months of current and consecutive rent receipts or copy of payment ledger card from landlord, or three months of current and consecutive utility bills such as electric, gas, water, sewer or trash in the applicant's name. No cell phone bills will be accepted. The only documents accepted as proof of military service is a valid Certificate of Release or Discharge from Active Duty (DD214) with an honorable discharge or honorable condition in the U.S. Military.**

- 3. Residency Preference: For families who live and/or work within the city limits of Pasadena, Texas**

**In all cases, status is then determined by date and time of application. Documentation provided as proof of preference must be current and verifiable.**

**Preference definitions and documentation required are as follows:**

**Residents who live in Pasadena: Applicant must live within City limits of Pasadena; address cannot be a mailing address. The only documents accepted as proof of residency are as follows: Current lease agreement with three months of current and consecutive rent receipts or copy of payment ledger card from landlord, or with three months of current and consecutive utility bills such as electric, gas, water, sewer or**

trash in the applicant's name. No cell phone bills will be accepted.

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**Residents who work in Pasadena:** Applicant must have a company issued paycheck stubs for the last 90 days stating hours worked, amount of payment received and withholding taxes paid and/or a current year tax return. Cash payment for wages will not be accepted for this preference. Families who head of household or sole member is elderly or a person with disabilities as defined by the Social Security Administration and receives Social Security benefits and cannot work, may be given the benefit of this preference. In addition to initial placement on waiting list, you will be required to provide this information annually and at any other time requested by Pasadena Housing Office. Personal payroll checks from individuals without the required stated information will not be accepted.

4. **Non-Preference:** Applicants who do not qualify for local preferences #1 or #2. Date and time of application will prioritize applicants from this preference.

#### **E. INCOME TARGETING**

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the PHA will reserve a minimum of seventy-five percent of its Section 8 new admissions for families whose income does not exceed *the higher of the Federal poverty level or 30 percent of the area median income*. HUD refers to these families as "extremely low-income families." If necessary, the PHA will admit families who qualify under the Extremely Low Income limit to meet the income targeting requirement, regardless of preference.

The PHA's income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act. The PHA is also exempted from this requirement where the PHA is providing assistance to low income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

#### **F. INITIAL DETERMINATION OF LOCAL PREFERENCE QUALIFICATION**

At the time of application, an applicant's entitlement to a local preference may be made on the basis of:

An applicant's certification that they qualify for a preference will be accepted with verification. When the family is near the top or upon final selection from the waiting list, the preference will be verified before determining eligibility.

If documentation to verify the preference is provided at time of application, the PHA will re-verify a preference claim at time of selection from the waiting list if more than 30 days have elapsed since verification date or if the PHA feels the family's circumstances have changed.

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list and ranked without the local preference.

If, at the time the family applied, the preference claim was the only reason for placement of the family on the list and the family cannot verify their eligibility for the preference as of the date of application, the family will be removed from the list.

#### **G. EXCEPTIONS FOR SPECIAL ADMISSIONS**

If HUD awards program funding that is targeted for specifically named families, the PHA will admit these families under a Special Admission procedure.

Special admissions families will be admitted outside of the regular waiting list process. They do not have to qualify for any preferences, nor are they required to be on the program waiting list. They are not

counted in the limit on non-federal preference admissions. The PHA maintains separate records of these admissions.

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#### **H. TARGETED FUNDING**

When HUD awards special funding for certain family types, families who qualify are placed on the regular waiting list. When a specific type of funding becomes available, the waiting list is searched for the first available family meeting the targeted funding criteria.

The following programs are identified as "Targeted":

- Mainstream for Persons with Disabilities
- Frail Elderly
- Shelter Plus Care
- HOPWA
- Family Unification Program
- Welfare to Work
- VASH

#### **I. PREFERENCE AND INCOME TARGETING ELIGIBILITY**

##### **Change in Circumstances**

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify the PHA in writing when their circumstances change.

If the family's verified annual income, at final eligibility determination, does not fall under the Extremely Low Income limit and the family was selected for income targeting purposes before family(s) with a higher preference, the family will be returned to the waiting list.

#### **J. ORDER OF SELECTION**

The PHA's method for selecting applicants from a preference category leaves a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified in the administrative plan.

##### **Local Preferences**

Local preferences will be used to select families from the waiting list. In the event that the local preferences are revised, the Pasadena Housing Program will notify current families already on the waiting list by a public notice in the local newspaper detailing the change in the local preference and how they may claim any change in local preference. In addition, a notice will be posted in the PHA office.

The PHA has selected the following system to apply local preferences:

Refer to page 4-2 & 4-3, paragraph D for ranking of preferences.

##### **Among Applicants with Equal Preference Status**

Among applicants with equal preference status, the waiting list will be organized by date and time.

#### **K. FINAL VERIFICATION OF PREFERENCES**

Preference information on applications will be updated as applicants are selected from the waiting list. At that time, the PHA will request that current verification of the preference be provided and verified during the family's initial intake interview.

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#### **L. PREFERENCE DENIAL**

If the PHA denies a preference, the PHA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for an informal review. If the preference denial is upheld as a result of the informal review, or the applicant does not request a review, the applicant will be placed on the waiting list without benefit of the preference.

If the applicant falsifies or alters the documents or makes false statements in order to qualify for any preference, they will be removed from the Waiting List.

#### **M. REMOVAL FROM WAITING LIST AND PURGING**

If an applicant fails to respond to a mailing from the PHA within the designated time frame in the mailing, they will be removed from the waiting list without further notice. All returned mail will be placed in the applicants file with the removal from waiting list without further notice.

The waiting list will be updated and purged at the same time within 36 months from the previous update and purge and/or waiting list initial application. Applicants will be mailed an update asking for current information and confirmation of continued interest.

If they fail to respond to this notification, they will be removed from the waiting list. A preference claim form is included with the update form for only those applicants who initially claimed a preference and must be completed and returned to remain as a preference on the waiting list. If it is not returned with the update form, the applicant remains on the waiting list by date and time only.

Chapter 5

SUBSIDY STANDARDS

INTRODUCTION

HUD guidelines require that PHA's establish subsidy standards for the determination of family unit size and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards. This Chapter explains the subsidy standards which will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list, as well as the PHA's procedures when a family's size changes or a family selects a unit size that is different from the Voucher.

A. DETERMINING FAMILY UNIT (VOUCHER) SIZE

The PHA does not determine who shares a bedroom/sleeping room. The PHA's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements.

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 unless the occupancy standards policy for the PHA dictate otherwise and the family qualifies for a different voucher bedroom size.

In accordance with 24 CFR 982.401 pertaining to Housing Quality Standards, the dwelling unit must have at least one bedroom or living/sleeping room for each two persons. The PHA will use one bedroom for the Head of Household and will use two persons per bedroom for other household members to determine the appropriate subsidy standard and voucher size.

Live-in attendants (approved by the PHA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) will generally be provided a separate bedroom/sleeping room. No additional bedrooms are provided for the attendants' family.

Space will not be provided for a family member who will be absent 50% of the time, such as a member who is away at school or in the military. Space will not be provided for use or storage of medical or durable equipment prescribed for and/or used by a single-person household.

Foster children will be included in determining unit size only if they will be in the unit for more than 12 months with proper legal documentation.

A single pregnant woman with no other family members must be treated as a two-person family.

In addition to the bedrooms, a living area may be used as a living/sleeping area. (Living Room)

GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household (Minimum #)	Persons in Household (Maximum #)
0 Bedroom	1	1
1 Bedroom	1	3
2 Bedrooms	4	5
3 Bedrooms	6	7
4 Bedrooms	8	9
5 Bedrooms	10	11
6 Bedrooms	12	13

## **B. CHANGES IN VOUCHER SIZE**

### **Changes for Applicants**

The voucher size is determined by comparing the family composition to the PHA subsidy standards. If an applicant requires a change in the voucher size, the following guidelines may apply.

### **Requests for Exception to Subsidy Standards for Applicants**

The PHA will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage or court-ordered custody.

The PHA may grant exceptions from the standards if the family requests and the PHA determine the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of an accommodation which has been requested, such as:

Persons who cannot occupy a shared bedroom because of a verified medical or health reason.

Elderly persons or persons with disabilities who may require a live-in attendant.

Requests based on health related reasons must be verified in writing by a knowledgeable professional source.

No exception to the subsidy standard will be granted solely for use or storage of medical or durable equipment.

### **Changes for Participants**

The members of the family residing in the unit must be approved by the PHA. The family must obtain approval of any additional family member before the person occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within ten days. A voucher is only transferable to family members that are on the existing voucher and residing in the unit in the event of death of the head of household.

### **Under-housed and Over-housed Families**

Families may sometimes have a choice in under certain circumstances for remaining in place or moving when the family size changes and results in a voucher and/or unit size change. A 60 day timeframe applies to the issuance of corrected voucher size, payment standards, and/or relocation to an appropriate unit size.

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

If a family is occupying a unit which has more bedrooms than allocated under the PHA's subsidy standards, the PHA will issue the family a new voucher at the annual recertification, of the appropriate size, and assist the family in finding a suitable unit.

Families who are under-housed or over-housed will be issued a voucher and given a minimum of sixty days to locate a new unit before assistance is terminated. Approval may be granted by both the PHA and landlord if a family whose voucher size would be changed due to an increase or decrease in family size chooses to remain in their current unit and agrees to pay a share of rent based on the appropriate payment standard for the authorized unit size. (applies only at annual re-exam)

Also, if a landlord agrees to a decrease in rent due to decreased voucher size, a family may not have to relocate.

The PHA may also grant an exception under the following circumstances:

If a family with a disability is under-housed in an accessible unit.

If a family requires an additional bedroom because of a health problem that has been verified by a knowledgeable professional source and documented by the PHA.

The PHA and family have been unable to locate a unit within 60 days.

#### **C. UNIT SIZE SELECTED**

The family may select a different size dwelling than that listed on the Voucher. There are three criteria to consider:

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

The payment standard amount for the family unit size; or

The payment standard amount for the unit size rented by the family.

#### **D. PAYMENT STANDARD LIMITS**

The payment standard used in calculating the family's allowable maximum gross rent is determined by applying a percentage to the HUD-issued Fair Market Rent (FMR) for the Houston Metropolitan area. HUD issues these FMR's at least annually. As the FMR's change, the Payment Standards are adjusted accordingly. Also, payment standards are reviewed when the rental market indicates an increase or decrease in the payment standards is needed. The Housing Administrator is authorized to increase or decrease payments standards as necessary.

Certain census tracts in the PHA jurisdiction have been designated as areas that have less than 50% occupancy of very low income families. Families who participate in the Pasadena Housing Program are encouraged to seek housing in these areas. Because higher market rents limit the available housing choices by families choosing to move to these areas, the PHA has adopted "exception" Payment Standards, in accordance with HUD guidelines.

**Utility Allowance:** The utility allowance used to calculate the gross rent is based on the lower of the family's voucher bedroom size or the bedroom unit size selected as required by HUD.

**Housing Quality Standards:** The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown below. The levels may be exceeded if additional rooms are used for sleeping rooms.

### **HQS GUIDELINES FOR UNIT SIZE SELECTED**

	<b>Maximum # of Persons in Household</b>
<b>0 Bedroom</b>	<b>1</b>
<b>1 Bedroom</b>	<b>4</b>
<b>2 Bedroom</b>	<b>6</b>
<b>3 Bedroom</b>	<b>8</b>
<b>4 Bedroom</b>	<b>10</b>
<b>5 Bedroom</b>	<b>12</b>
<b>6 Bedroom</b>	<b>14</b>



## Chapter 6

### FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION

#### INTRODUCTION

The PHA will use methods as set forth in this Administrative Plan to verify and determine that family income at admission, interim and annual reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable deductions from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memorandums. The formula for the calculation of TTP is specific and not subject to interpretation. The PHA's policies in this Chapter address those areas which allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

#### A. INCOME AND ALLOWANCES

**Income:** Includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income which is not specifically excluded in the regulations is counted.

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

**Adjusted Income** is defined as the annual income of the members of the family residing in or intending to reside in the dwelling unit, less the following deductions.

HUD has five allowable deductions from Annual Income:

1. **Dependent allowance:** \$480 for each dependent; A dependent is defined as a family member under 18 years of age, a person with disabilities, or a full-time student. A household head, spouse, foster child, or live-in aide may never be counted as a dependent. A full-time student is one carrying a full time subject load (as defined by the institution) at an institution with a degree or certificate program.
2. **Elderly/disabled household allowance:** \$400 for any elderly family or disabled family; An elderly or disabled family is any family in which the head or spouse is at least 62 years of age or a person with disabilities.
3. **Allowance for medical expenses:** The medical expense deduction is permitted only for households in which the head or spouse is at least 62 or disabled. Medical expenses are expenses anticipated to be incurred during the 12 months following certification or reexamination that are not covered by an outside source such as insurance. This allowance is not intended to give a family an allowance equal to the previous year's expenses, but to anticipate regular ongoing and anticipated expenses during the coming year.

**Allowable medical expenses may include:**

- **Services of doctors and health care professionals**
- **Services of health care facilities**
- **Medical insurance premiums**
- **Prescription/non-prescription medicines (prescribed by a physician)**
- **Transportation to treatment (cab fare, bus fare, mileage)**
- **Dental expenses, eyeglasses, hearing aids, batteries**
- **Live-in or periodic medical assistance**
- **Monthly payment on accumulated medical bills (regular monthly payments on a bill that was previously incurred); may include only the amount expected to be paid in the coming 12 months.**

**4. Child care: Reasonable child care expenses for the care of children including foster children, age 12 and younger, if all of the following are true**

- **The care is necessary to enable a family member to work, look for work, or further his/her education (academic or vocational);**
- **The expense is not reimbursed by an agency or individual outside the household; and**
- **The expenses incurred to enable a family member to work do not exceed the amount earned.**

**5. Disability Assistance: Families are entitled to a deduction for unreimbursed expenses to cover care attendants and auxiliary apparatus for any family member who is a person with disabilities, to the extent these expenses are necessary to enable a family member (including the member who is a person with disabilities) 18 years of age or older to be employed.**

## **B. MINIMUM RENT**

**"Minimum rent" is \$50.00. Minimum rent refers to the greatest figure in the calculation of either 30% of the monthly adjusted income, 10% of the gross monthly income, or the set minimum rent. Welfare rents do not apply to this locality.**

### **Hardship Requests for an Exception to Minimum Rent**

**The PHA recognizes that in some circumstances even the minimum rent may create a financial hardship for families. The PHA will review all relevant circumstances brought to the PHA's attention regarding financial hardship as it applies to the minimum rent. The following section states the PHA's procedures and policies in regard to minimum rent financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998. HUD has defined circumstances under which a hardship could be claimed.**

### **Criteria for Hardship Exception**

**In order for a family to qualify for a hardship exception the family's circumstances must fall under one of the following HUD hardship criteria:**

**The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance, including a family with a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and National Act, and 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 only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.**

The family would be evicted as a result of the imposition of the minimum rent requirement;

The income of the family has decreased because of changed circumstances, including loss of employment, death in the family, or other circumstances as determined by the PHA or HUD. In order to qualify under this provision, a family must describe how the death has created a financial hardship.

The PHA will review all family requests for exception from the minimum rent due to financial hardships and will make a determination of hardship within thirty (30) calendar days.

All requests for minimum rent hardship exceptions are required to be in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent. The PHA will use its standard verification procedures to verify circumstances that have resulted in financial hardship.

### **Suspension of Minimum Rent**

If a family requests a hardship exception, the PHA will suspend the minimum rent charge and adjust the HAP effective on the first of the month following the change in the family's circumstances. The PHA may request documentation of the hardship and must determine promptly if the hardship is temporary or long term.

"Suspension" means that the PHA must not use the minimum rent calculation until the PHA has made this decision.

During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

If the PHA determines that the minimum rent is not covered by statute, the PHA will impose a minimum rent including payment for minimum rent from the time of suspension.

### **Temporary Hardship**

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

The PHA will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period.

### **Long-Term Duration Hardships**

If the PHA determines that there is a qualifying long-term financial hardship, the PHA must exempt the family from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent shall apply from the first day of the month following the family's request for exemption.

## **C. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT**

The PHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the PHA 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.

**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. The PHA will evaluate absences from the unit using this policy.**

#### **Absence of Any Member**

**Any member of the household will be considered permanently absent if she/he is away from the unit for two consecutive months, except as otherwise provided in the chapter. A voucher is only transferable to family members that are on the existing voucher and residing in the unit at the time of death of the head of household. Under no other circumstances will a voucher be transferable.**

#### **Absence due to Medical Reasons**

**If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the PHA will seek advice from a reliable qualified source as to the likelihood and time 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 60 consecutive days, the family member will not be considered permanently absent. Additional time may be approved by Housing Administrator for medical reasons not to exceed the allowed HUD limit.**

**If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the PHA's "Absence of Entire Family" policy Chapter 2.**

#### **Absence Due to Full-time Student Status**

**Full time students who attend school away from the home will be treated in the following manner: A student (other than head of household or spouse) who attends school away from home can not be considered temporarily absent if they live away from the unit 50% or more of the time. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of voucher size.**

#### **Absence due to Incarceration**

**If the sole member is incarcerated for more than 60 consecutive days, she/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for two consecutive months.**

**The PHA will determine if the reason for incarceration is for drug-related or violent criminal activity.**

#### **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, the PHA will seek clarification from an appropriate agency as to when the child/children will be returned to the home.**

**If the time period is to be greater than two months from the date of removal of the child/ren, the voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the PHA'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, the PHA will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

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

Families must notify the PHA if they are going to be absent from the unit for more than 14 consecutive days.

If the entire family is absent from the assisted unit for more than 30 consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

"Absence" means that no family member is residing in the unit.

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

- \* Write letters to the family at the unit
- \* Telephone the family at the unit
- \* Interview neighbors
- \* Verify if utilities are in service
- \* Check with the post office

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond 90 consecutive calendar days.

If the absence that resulted in termination of assistance was due to a person's disability, and the PHA can verify that the person was unable to notify the PHA in accordance with the family's responsibilities, and if funding is available, the PHA may reinstate the family as an accommodation if requested by the family.

### **Absence of Adult/Caretaker for Children**

If neither parent remains in the household and the appropriate agency has issued documentation to determine that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the PHA will treat that adult as a visitor for the first 60 days, with written notification and release forms signed.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the Voucher will be transferred to the caretaker with PHA approval.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the PHA will review the status at 30-day intervals for a maximum of 60 days.

If custody or legal guardianship has not been awarded by the court, but the action is in process, the PHA will secure verification from social services staff or the attorney as to the status.

When the PHA approves a person to reside in the unit as caretaker for the child/ren, the income should be counted pending a final disposition. The PHA will work with the appropriate service agencies and the landlord to provide a smooth transition in these cases.

**If a member of the household is subject to a court order that restricts him/her from the home for more than 60 days, the person will be considered permanently absent.**

**If an adult family member leaves the household for any reason, the family must report the change in family composition to the PHA within ten days.**

**The family member will be determined permanently absent if verification is provided.**

**Time extension will be granted as an accommodation upon request by a person with a disability.**

### **Visitors**

**Any adult not included on the HUD 50058 who has been in the unit more than 7 consecutive days, or a total of 52 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.**

**Statements from neighbors and/or the landlord will 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 burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the family and the PHA will terminate assistance since prior approval was not requested for the addition.**

**Minors and college students who were part of the family but who now live away from home during the school year and are not considered members of the household may visit for up to 60 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 to be an eligible visitor and not a family member.**

### **Reporting Additions to Owner and HA**

**Reporting changes in household composition to the PHA is both a HUD and a PHA requirement.**

**The family obligations require the family to request PHA approval to add any other family member as an occupant of the unit and to inform and provide legal documentation to the PHA of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing. If any new member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.**

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

**In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the PHA in writing within eight days of the first day of the visit.**

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

**In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition.**

## **Reporting Absences to the PHA**

Reporting changes in household composition is both a HUD and a PHA requirement.

If a family member leaves the household, the family must report this change to the PHA, in writing, within ten days of the change and provide written documentation to certify whether the member is temporarily absent or permanently absent.

The PHA will conduct an interim evaluation for changes that affect the Total Tenant Payment in accordance with the interim policy.

## **D. AVERAGING INCOME**

When Annual Income cannot be anticipated for a full twelve months, the PHA may:

1. Average known sources of income that vary to compute an annual income, or
2. Annualize current income and conduct an interim reexamination if income changes.

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

Income from the previous year may be analyzed to determine the amount to anticipate when third-party or check-stub verification is not available.

If by averaging, an estimate can be made for those families whose income fluctuates from month to month; this estimate will be used so that the housing payment will not change from month to month. Families whose monthly income is not stable or regular may be required to provide pay stubs every three months to ensure accurate calculation of income and to determine fair share payments.

The method used depends on the regularity, source and type of income.

## **E. MINIMUM INCOME**

There is no minimum income requirement. Families who report zero earned income are required to complete a written certification every 30 days, per the PHA Work Search Policy.

## **WORK-SEARCH POLICY**

It is the policy of the PHA to assist and facilitate our families in achieving economic independence. In addition to referring clients to community resources for education, counseling, and skills enhancement; the PHA shall place "eligible" family members on a WORK-SEARCH PROGRAM.

While on this program, the family member shall demonstrate an earnest search for employment by seeking and applying for positions for which he is qualified. The individual reports his progress by means of a "Work Search Form", which tracks companies contacted, date of contact, and outcome (i.e. not hiring, not qualified, interview pending, hired). The household member shall report his progress to the Housing Office on a monthly basis by means of the Work-Search Form, until employment is achieved.

## **WORK-SEARCH PROGRAM ELIGIBILITY**

A family member who is capable of employment and not currently enrolled in an educational or vocational training program is considered immediately "eligible" for the Work-Search Program.

**A family member who has graduated or exited from an education or vocational training program is considered “eligible” for the Work-Search Program thirty (30) days after the last date of school.**

**A family member who loses a job, whether due to reduction of force, lay-off, voluntary or involuntary termination, is considered “eligible” for the Work-Search Program thirty (30) days following last date of employment.**

**However, if the individual is receiving unemployment benefits, he is not required to participate in the PHA’s Work-Search Program until thirty (30) days from the date unemployment benefits have been exhausted.**

**A family member who is receiving worker’s compensation benefits is not required to participate in the PHA’s Work-Search Program while receiving benefits. When the final worker’s compensation payment is received, if the individual does not resume employment, then he/she will be considered “eligible” for the Work-Search Program thirty (30) days from the date of final payment.**

**A family member who furnishes acceptable verification of current TANF benefits AND enrollment in the “Choices” program is not required to participate in the PHA’s Work-Search Program for the duration of their participation in the “Choices” program. However, if the individual fails to participate in (or withdraws from) the “Choices” program, then he/she is considered immediately “eligible” for the PHA’s Work-Search Program.**

#### **TANF AND CHILD SUPPORT BENEFITS**

**A family member who is eligible for TANF (Temporary Aid for Needy Families) shall apply for and furnish proof of benefits. Family members whose TANF benefits have been reduced shall furnish verification of the new benefit amount, as well as verification of the reason for reduction. However, the PHA is prohibited from reducing the family’s rent because of Welfare fraud or failure to comply. The PHA shall calculate as income the TANF benefit awarded to a family that is in full compliance.**

**A family member who does not receive TANF and is eligible for CHILD SUPPORT benefits shall furnish verification of filing with the appropriate child support enforcement agency, as well as verification of child support payments. Acceptable proof of payment amounts will be limited to the actual Court Order for child support PLUS a “Disbursement of Payments” or a computer printout of Payment History. Check stubs may be acceptable if the amounts agree with the Court Order for Child Support.**

#### **PENALTIES FOR NON-COMPLIANCE**

**The PHA includes compliance and cooperation with HUD regulations and PHA policies in the Family Obligations and Applicant/Tenant Certification. The family’s signature to these forms declares their agreement to these requirements. Family members are informed of and agree to these obligations initially and again at each annual recertification appointment.**

**A family member who fails to comply with the PHA’s policies regarding WORK-SEARCH, TANF, or CHILD SUPPORT shall be issued written notice of the violation, the specific documents needed to bring the family into compliance, and the due date by which these documents must be provided. This notice shall also advise the family that failure to cooperate within the specified time frame will result in further action by the PHA.**

**A family member who fails to respond within the given time frame shall be given a written 30–day notice of termination of housing benefits. This notice shall include the reason for termination, and shall also notify the family of their right to request an informal hearing before termination takes place. The family’s landlord shall also be notified at this time of the PHA’s intent to terminate benefits.**

Within this time frame, the PHA may give special consideration to a family member who has been unable to comply because of unforeseen circumstances. If the PHA determines the reason for non-compliance is justified, the PHA will afford a reasonable time extension for the family to comply, and the termination date may be deferred for an additional 30 days.

### **Zero Income**

Families that report zero income will be required to provide information regarding their means of basic subsistence, such as food, utilities, transportation, etc.

If the family's expenses exceed their known income, the PHA will make inquiry of the head of household as to the nature of the family's accessible resources.

### **F. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME**

If a family member is permanently confined to a hospital or nursing home they will no longer be considered a household member, the PHA will then calculate the income by using the following methodology and use the income figure which would result in a lower payment by the family:

- (a) Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member
- (b) Exclude the income and deductions of the member if his/her income goes directly to the facility.

### **G. REGULAR CONTRIBUTIONS AND GIFTS**

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the Total Tenant Payment.

Any contribution or gift received every month or more frequently will be considered a "regular" contribution or gift, unless the amount is less than \$100.00 per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts.

If the family's expenses exceed its known income, the PHA will question the family about contributions and gifts.

### **H. ALIMONY AND CHILD SUPPORT**

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment.

If the amount of child support or alimony received is less than the amount awarded by the court, the PHA must use the amount awarded by the court unless the family can verify that they are not receiving the full amount.

The PHA will accept as verification that the family is receiving an amount less than the award if:

The PHA receives written verification from the agency responsible for enforcement or collection.

**The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or has filed an enforcement or collection action through an attorney.**

**It is the family's responsibility to supply a certified copy of the divorce decree.**

#### **I. LUMP-SUM RECEIPTS**

**Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.**

**Lump-sum payments caused by delays in processing periodic payments (unemployment or welfare assistance) are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments that have accumulated due to a dispute will be treated the same as periodic payments that are deferred due to delays in processing.**

**In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt:**

**The PHA will calculate prospectively if the family reported the payment within ten days and retroactively to date of receipt if the receipt was not reported within that time frame.**

#### **Prospective Calculation Methodology**

**If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:**

**The lump sum will be added in the same way for any interims that occur prior to the next annual recertification.**

#### **Retroactive Calculation Methodology**

- 1. The PHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.**
- 2. The PHA will determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due the PHA.**

**The family may pay this "retroactive" amount to the PHA in a lump sum or at the PHA's option; the PHA may enter into a Payment Agreement with the family.**

**The amount owed by the family is a collectible debt even if the family becomes unassisted.**

#### **Attorney Fees**

**The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.**

## **J. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS**

Contributions to company retirement/pension funds are handled as follows:

1. While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.
2. After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

## **K. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE**

The PHA must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The PHA will count the difference between the market value and the actual payment received in calculating total assets.

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

## **L. CHILD CARE EXPENSES**

Refer to page 6-2 for eligibility definition.

In the case of a child attending private school, only after-hours care can be counted as childcare expenses.

Allowable deductions for childcare expenses is based on the following guidelines:

**Childcare to work:** The maximum childcare expense allowed cannot exceed the amount earned by the person enabled to work that is included in the family's annual income. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

**Child care for school:** The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

**Amount of Expense:** The PHA will collect data as a guideline. If the hourly rate materially exceeds the guideline, the PHA may calculate the allowance using the guideline.

## **M. MEDICAL EXPENSES**

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.

Nonprescription medicines must be doctor-recommended in order to be considered a medical expense and verified thru the physician.

## **N. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES**

### **Applicability**

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

### **Prorated Assistance Calculation**

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

### **O. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

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

Welfare Agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program. (CFR 5.615(1))

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

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

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction but is included in the family's income for rental contribution.

Also, see Chapter 12 on recertifications on how to handle income changes resulting from welfare program requirements.

### **P. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS**

The same Utility Allowance Schedule is used for all tenant-based programs.

The Utility allowance is intended to help defray the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on individual family's actual energy consumption.

The PHA's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

The PHA may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The PHA must classify utilities in the utility allowance schedule according to the following general categories: space heating, air conditioning, cooking, water heating, water, sewer, trash collection; other electric, refrigerator (for tenant supplied refrigerator), range (cost of tenant supplied range); and other specified services.

A tenant-paid air conditioning allowance will be provided throughout our jurisdiction. The air conditioning allowance will only be granted to families when the PHA has confirmed that the unit actually has an air conditioner in the unit.

The PHA will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next annual reexamination. The Housing Administrator is authorized to adjust the utility allowance schedule as needed or required.

The approved utility allowance schedule is given to families along with their voucher. The utility allowance is based on *the lower of the family's voucher bedroom size or the unit size when establishing the family's utility allowance.*

Where families provide their own range and refrigerator, the PHA will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for ranges and refrigerators will be based on the lesser of the cost of leasing or purchasing the appropriate appliance over a ten-year period.

Where the calculation on the HUD 50058 results in a utility reimbursement payment due the family, the PHA will provide a utility reimbursement payment for the family each month. The check will be made out directly to the tenant and mailed the first Wednesday of the month following City Council meeting and approval. In the event that utility reimbursement payments are delayed for any unforeseen circumstances, they will be mailed following the next City Council meeting and approval.

#### **Q. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS FOR PERSONS WITH DISABILITIES**

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

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

Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;

Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

Whose annual income increases, as a result of new employment or increased earnings of a family member during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least \$500. The qualifying TANF assistance may consist of any amount of monthly income maintenance, and/or at least \$500 in such TANF benefits and services as one-time payments, wage subsidies and transportation assistance.

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

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

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

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

#### **Initial Twelve-Month Exclusion**

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

#### **Second Twelve-Month Exclusion and Phase-in**

**During the second 12-month period after the expiration of the initial 12-month period referred to above, the PHA must exclude from annual income of a qualified family 50 percent of any increase in income of a family member who is a person with disabilities as a result of employment over income of that family member prior to the beginning of such employment.**

#### **Maximum Disallowance**

**In accordance with 24 CFR 5.617 and HUD PIH Notice 2016-05, The earned income disallowance is limited to a lifetime 24 straight calendar months period for each family member who is a person with disabilities. For each family member who is a person with disabilities, the disallowance only applies for a maximum of 12 months of full exclusion and a maximum of 12 months of phase-in 50 % exclusion during the 24-month period starting from the date of the initial exclusion.**

**Once a family member is determined to be eligible for the EID, the 24 calendar month period starts.**

**If the family member discontinues the employment that initially qualified the family for the EID, the 24 calendar month period continues.**

**During the 24 calendar month period, EID benefits are recalculated based on changes to family member income and employment.**

**The EID benefit is limited to a lifetime 24-month period for the qualifying family member. No earned income disallowance will be applied after the 24-month period. At the end of the 24 months, the EID ends regardless of how many months were "used."**

### **Applicability to Child Care Expense Deductions**

The amount deducted for childcare necessary to permit employment shall not exceed the amount of employment income that is included in annual income. Therefore, for families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income shall not be used in determining the cap for childcare deductions.

### **Tracking the Earned Income Exclusion**

The earned income exclusion will be reported on the HUD 50058 form. Documentation will be included in the family's file to show the reason for the reduced increase in rent.

Such documentation may include:

**Date the increase in earned income was reported by the family**

**Name of the family member whose earned income increased**

**Reason (new employment, participation in job training program, within 6 months after receiving TANF) for the increase in earned income**

**Amount of the increase in earned income (amount to be excluded)**

**Date the increase in income is first excluded from annual income**

**Date(s) earned income ended and resumed during the initial cumulative 12-month period of exclusion (if any)**

**Date the family member has received a total of 12 months of the initial exclusion**

**Date the 12-month phase-in period began**

**Date(s) earned income ended and resumed during the second cumulative 12-month period (phase-in) of exclusion (if any)**

**Date the family member has received a total of 12 months of the phase-in exclusion**

**Ending date of the maximum lifetime 24 calendar month period.**

The PHA will maintain a tracking system to ensure correct application of the earned income disallowance.

### **Inapplicability to Admission**

The earned income disallowance is only applied to determine the annual income of families who are participants in the Housing Choice Voucher Program, and therefore does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

## Chapter 7

### VERIFICATION PROCEDURES

#### INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment/Family Share be verified by the PHA. PHA staff will obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

Applicants and program participants must provide true and complete information to the PHA whenever information is requested. The PHA's verification requirements are designed to maintain program integrity. This Chapter explains the PHA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The PHA will obtain proper authorization from the family before requesting information from independent sources. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance.

#### A. METHODS OF VERIFICATION AND TIME ALLOWED

The PHA will verify information through the prescribed hierarchy of 6 methods to verify family information and specifies the circumstances in which each method will be used in accordance with HUD PIH 2010-19. In general HUD requires the Pasadena Housing Program Office to use the most reliable form of verification that is available and to document the reasons when a lesser form of verification is used. In order of priority, the forms of verification the Pasadena Housing Program Office will use are:

- **Up-front Income Verification using HUD's Enterprise Income Verification (EIV) and not available for income verification of applicants. (HUD LEVEL 6-Highest Mandatory Ranking)** The EIV System is a web-based application which provides PHAs with employment, wage, unemployment compensation and social security information of families participating in various HUD programs. This will be used at annual and interim reexaminations.
- **Up-front Income Verification (UIV) using non-HUD system** when available (The Work Number and other electronic data sources). **(HUD LEVEL 5- Highest Optional Ranking)** This refers to the use of verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV using a non-HUD system will be used to the extent that these systems are available to the Pasadena Housing Office. Examples of non-HUD systems are The Work Number (an automated verification system, and state government databases to validate tenant-reported income
- **Written Third Party Verification (provided by applicant or participant).(HUD LEVEL 4- High Ranking).** This is defined as an original or authentic document generated by a third party source dated either within the 60 day period preceding the reexamination or PHA request date. Such documents may be in the possession of the tenant (or applicant), and is commonly referred to as tenant-provided documents. It is HUD's position that such tenant-provided documents are written third party verification since these documents originated from a third party source. The PHA may, at its discretion, reject any tenant-provided documents and follow-up directly with the source to obtain necessary verification information. Examples of acceptable tenant-provided documentation (generated by a third party source) include, but are not limited to: pay stubs, payroll summary reports, employer/letter of hire/termination, SSA benefit verification letter, bank statements (complete and current), child support payment stubs,

welfare benefit letters and/or printouts, and unemployment monetary benefit notices. Current and complete acceptable tenant-provided documents must be used for income and rent determinations.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff viewing the document(s) will annotate what and when was viewed.

The PHA will accept the following documents from the family provided that the document is such that tampering would be easily noted:

- Printed wage stubs (minimum of 4 consecutive pay stubs)
- Computer printouts from the employer
- Signed and notarized letters (provided that the information is confirmed by phone)
- Other documents noted in this Chapter as acceptable verification

The PHA will accept most faxed documents.

The PHA will accept photocopies of most documents.

If third-party verification is received after documents have been accepted as provisional verification, and there is a discrepancy, the PHA will utilize the third party verification.

- **Written Third Party Verification Form.( HUD LEVEL 3-Medium Low Ranking)**  
This is defined by HUD as the traditional third party verification. A standardized form to collect information from a third party source. The form is completed by the third party by hand (in writing or typeset). PHA's send the form directly to the third party source by mail, fax, or email.

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and returned via first class mail, fax or email.

Verifications received electronically directly from the source are considered third party written verifications.

The PHA will accept verifications delivered by the family [including computerized printouts from the following agencies:]

- Social Security Administration
- Veterans Administration
- Welfare Assistance
- Unemployment Compensation Board
- City or County Courts

- **Oral Third Party Verification. (HUD LEVEL 2- Low).** This is defined by HUD as independent verification information by contacting the individual income/expense sources(s), as identified through UIV technique or identified by the family, via telephone or in-person visit. This verification method is commonly used in the event that the independent source does not respond to the PHA's faxed, mailed, or emailed request for information in reasonable time frame of ten days.

Oral third-party verification will be used when written third party verification is delayed or not possible. When third-party oral verification is used, staff will note with whom they spoke, the date of the conversation, and the facts provided. If oral third party verification is not available, the PHA will compare the information to any documents provided by the Family.

- **Tenant Declaration. (HUD LEVEL 1-Low).** This is when the tenant submits an affidavit or notarized statement of reported income and/or expenses to the PHA.

When verification cannot be made by third-party verification or review of documents, families will be required to submit a self-certification.

Self-certification means a notarized statement, affidavit, or certification.

The PHA will allow a minimum of ten (10) days for return of third-party verifications before going to the next method.

For applicants, verifications may not be more than 60 days old at the time of Voucher issuance. For participants, they are valid for 60 days from date of issuance.

The PHA will not delay the processing of an application beyond 30 days because a third party information provider does not return the verification in a timely manner.

## **B. RELEASE OF INFORMATION**

The family will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information.

Each member requested to consent to the release of information will be provided with a copy of the appropriate forms for their review and signature.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information requested by the PHA or HUD.

The family must supply any information that the PHA and HUD determines necessary to the administration of the program and must consent to PHA verification of that information. [24 CFR 982.551].

## **C. COMPUTER MATCHING**

Where allowed by HUD and/or other State or local agencies, computer matching will be done.

The PHA will utilize the HUD established computer-based Enterprise Income Verification (EIV) for obtaining social security benefits, Supplemental Security Income, benefit history and tenant income discrepancy reports from the Social Security Administration and HUD.

When computer matching results in a discrepancy with information in the PHA records, the PHA will follow up with the family and verification sources to resolve this discrepancy. If the family has unreported or underreported income, the PHA will follow the procedures in the Program Integrity Addendum of the Administrative Plan.

When the family furnishes the PHA with a letter or notice from HUD concerning the amount or verification of income, the PHA will verify the accuracy of income information contained in the notice and will, as appropriate:

- Change the amount of total tenant payment family rent to owner and housing assistance payment ;
- Calculate an overpayment and execute a repayment agreement,
- Or Terminate assistance.

#### **D. ITEMS TO BE VERIFIED**

All income not specifically excluded by the regulations.

Zero-income status of household.

Full-time student status including High School students who are 18 or over.

Current assets including assets disposed of for less than fair market value in preceding two years.

Child care expense where it allows an adult family member to be employed or to further his/her education.

Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus, which allow an adult family member to be employed.

Disability for determination of preferences, allowances, or deductions.

Identity.

U.S. citizenship/eligible immigrant status.

Social Security Numbers for all family members.

Familial/Marital status when needed for head or spouse definition.

Verification of Reduction in Benefits for Noncompliance:

The PHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance before denying the family's request for rent reduction.

#### **E. VERIFICATION OF INCOME**

This section defines the methods the PHA will use to verify various types of income.

##### **Using Earned Income Verification (EIV) to Project Income**

HUD strongly recommends the use of earned income verification (EIV). EIV is "the verification of income, before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a large number of individuals" HUD allows PHAs to use EIV information in conjunction with family-provided documents to anticipate income.

## **PHA Policy**

PHA procedures for anticipating annual income will include the use of EIV methods approved by HUD in conjunction with family-provided documents dated within the last 60 days of the PHA interview date.

The PHA will follow “HUD Guidelines for Projecting Annual Income when Earned Income Verification (EIV) Data Is Available” in handling differences between EIV and family-provided income data. The guidelines depend on whether a difference is substantial or not. HUD defines *substantial difference* as a difference of \$200 or more per month.

**No Substantial Difference.** If EIV information for a particular income source differs from the information provided by a family by less than \$200 per month, the PHA will follow these guidelines:

If the EIV figure is less than the family’s figure, the PHA will use the family’s information.

If the EIV figure is more than the family’s figure, the PHA will use the EIV data unless the family provides documentation of a change in circumstances to explain the discrepancy (e.g., a reduction in work hours). Upon receipt of acceptable family-provided documentation of a change in circumstances, the PHA will use the family-provided information.

**Substantial Difference.** If EIV information for a particular income source differs from the information provided by a family by \$200 or more per month, the PHA will follow these guidelines:

The PHA will request written third-party verification from the discrepant income source in accordance with 24 CFR 5.236(b) (3) (i).

When the PHA cannot readily anticipate income (e.g., in cases of seasonal employment, unstable working hours, or suspected fraud), the PHA will review historical income data for patterns of employment, paid benefits, and receipt of other income.

The PHA will analyze all EIV, third-party, and family-provided data and attempt to resolve the income discrepancy.

The PHA will use the most current verified income data and, if appropriate, historical income data to calculate anticipated annual income.

## **Employment Income**

Verification forms request the employer to specify the:

Dates of employment,  
Amount and frequency of pay,  
Date of the last pay increase,  
Likelihood of change of employment status and effective date of any known salary increase during the next 12 months,  
Year to date earnings,  
Estimated income from overtime, tips, bonus pay expected during next 12 months,

Acceptable methods of verification include, in this order:

1. EIV
2. Check stubs or earning statements, which indicates the employee’s gross pay, frequency of pay or year to date earnings. (minimum of 4 consecutive pay stubs)
3. Employment verification form completed by the employer.

4. **W-2 forms plus income tax return forms.**
5. **Self-certifications or income tax returns signed by the family may be used for verifying self-employment income or income from tips and other gratuities.**

**Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income.**

**In cases where there are questions about the validity of information provided by the family, the PHA will require the most recent federal income tax statements.**

**Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.**

#### **Social Security, Pensions, Supplementary Security Income (SSI), Disability Income**

**Acceptable methods of verification include, in this order:**

1. **EIV**
2. **Award or benefit notification letters prepared and signed by the providing agency.**
3. **Computer report electronically obtained or in hard copy.**
4. **Bank statements for direct deposits, only as a temporary measure.**

#### **Unemployment Compensation**

**Acceptable methods of verification from the family include:**

1. **Computer printouts from unemployment office stating payment dates and amounts.**

#### **Welfare Payments or General Assistance**

**Acceptable methods of verification include, in this order:**

1. **PHA verification form completed by payment provider.**
2. **Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.**
3. **Computer-generated Notice of Action.**
4. **Computer-generated list of recipients from Welfare Department.**

### **Alimony or Child Support Payments**

Acceptable methods of verification include, in this order:

1. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
2. A notarized letter from the person paying the support.
3. Copy of latest check and/or payment stubs from Court Trustee.
4. Family's notarized self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

If payments are irregular, the family must provide:

A copy of the separation or settlement agreement or a divorce decree stating the amount and type of support and payment schedules.

A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.

A notarized affidavit from the family indicating the amount(s) received.

A welfare notice of action showing amounts received by the welfare agency for child support.

A written statement from an attorney certifying that a collection or enforcement action has been filed.

### **Net Income from a Business**

In order to verify the net income from a business, the PHA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months.

Acceptable methods of verification include:

IRS Form 1040, including:  
Schedule C (Small Business)  
Schedule E (Rental Property Income)  
Schedule F (Farm Income)

If accelerated depreciation was used on the tax return or financial statement, an accountant's Calculation of depreciation expense computed using straight-line depreciation rules.

Audited or unaudited financial statement(s) of the business.

Credit report or loan application.

Documents such as manifests, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

**Family's notarized self-certification as to net income realized from the business during previous years.**

### **Child Care Business**

**If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.**

**If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the PHA will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and notarized signature of customer.**

**If the family has filed a tax return, the family will be required to provide it.**

**The PHA will conduct interim reevaluations every 120 days and require the participant to provide a log with the information about customers and income.**

**If childcare services were terminated, third-party verification will be sent to the parent whose child was cared for.**

### **Recurring Gifts**

**The family must furnish a notarized self-certification, which contains the following information:**

- The person who provides the gifts**
- The value of the gifts**
- The regularity (dates) of the gifts**
- The purpose of the gifts**

### **Zero Income Status**

**Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household.**

**The PHA will request information from the State Employment Development Department.**

**The PHA may request information from IRS.**

**The PHA may check records of other departments in the jurisdiction (such as government utilities) that have information about income sources of customers.**

**The PHA may run a credit report if information is received that indicates the family has an unreported income source.**

### **Full-Time Student Status**

**Only the first \$480 of the earned income of full time students over the age of 18, other than head, co-head or spouse, will be counted towards family income.**

**Financial aid, scholarships and grants are not counted towards family income.**

**Verification of full time student status includes:**

**Written verification from the registrar's office or other school official.**

School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

## **F. INCOME FROM ASSETS**

### **Savings Account Interest Income and Dividends**

Acceptable methods of verification include, in this order:

1. Account statements( last six to twelve months of bank statements), passbooks, certificates of deposit, or PHA verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
3. IRS Form 1099 from the financial institution, provided that the PHA must adjust the information to project earnings expected for the next 12 months.

### **Interest Income from Mortgages or Similar Arrangements**

Acceptable methods of verification include, in this order:

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

### **Net Rental Income from Property Owned by Family**

Acceptable methods of verification include, in this order:

1. IRS Form 1040 with Schedule E (Rental Income).
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
4. Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

## **G. VERIFICATION OF ASSETS**

### **Family Assets**

The PHA will require the necessary information to determine the current cash value, (the net amount the family would receive if the asset were converted to cash).

Acceptable methods of verification include, in this order:

Verification forms, letters, or documents from a financial institution or broker.

Passbooks, checking account statements (six to twelve months), savings account statements (six to twelve months) certificates of deposit, bonds, or financial Statements completed by a financial institution or broker. In the event more documentation is needed to verify, additional statements will be requested up to twelve months from the family to determine asset and any asset income.

Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

Real estate tax statements if the approximate current market value can be deduced from assessment.

Financial statements for business assets.

Copies of closing documents showing the selling price and the distribution of the sales proceeds.

Appraisals of personal property held as an investment.

Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Crypto Currency, Mobile payment /stocks service applications and/or digital payments networks as Bitcoin, Tether, Coinbase, Robinhood, CASH App, Zelle, Venmo, Pay Pal, etc. documentation which includes statements for the last six months will be used as verification. In the event more documentation is needed to verify, additional statements will be requested up to twelve months from the family to determine asset and any asset income.

#### **Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification**

For all Certifications and Recertifications, the PHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

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

#### **Passbook Savings Rate**

The Pasadena Housing Program Office established Passbook Savings Rate is the Savings National Rate of .06% at the time of review for 2021 as required and allowed by HUD in accordance with *PIH 2012-29*. This rate will be reviewed annually and will be adjusted if needed.

### **H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME**

#### **Child Care Expenses**

Child care expenses will be verified using the verification hierarchy as required by HUD and outlined in *Section 7-1 A. Methods of Verification and Time Allowed* of this plan.

Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

## **Medical Expenses**

**Families who claim medical expenses or expenses to assist a person(s) with disability will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:**

**Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.**

**Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.**

**Written confirmation from the Social Security Administration's of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.**

**For attendant care:**

**A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.**

**Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.**

**Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.**

**Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.**

**Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. PHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, nonrecurring expenses from the previous year.**

**The PHA will use mileage at the IRS rate, or cab, bus fare, or other public transportation costs for verification of the cost of transportation directly related to medical treatment.**

## **Assistance to Persons with Disabilities**

**In all cases:**

**Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.**

**Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.**

**Attendant care:**

**Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided**

**Certification of family and attendant and/or copies of canceled checks family used to make payments.**

**Auxiliary Apparatus:**

**Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.**

**In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.**

**I. VERIFYING NON-FINANCIAL FACTORS**

**Verification of Legal Identity**

**In order to prevent program abuse, the PHA will require applicants to furnish verification of legal identity for all family members.**

**The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these original documents may be required.**

**Certificate of Birth, naturalization papers (required in all cases)  
Church-issued baptismal certificate  
Current, valid State Driver's license or I.D.  
U.S. military discharge (DD 214)  
U.S. passport  
Voter's registration  
Company/agency Identification Card  
Department of Motor Vehicles Identification Card  
Hospital records**

**Original documents considered acceptable for the verification of legal identity for minors may be one or more of the following:**

**Certificate of Birth (required in all cases)  
Adoption papers  
Custody agreement  
Health and Human Services ID  
School records**

**Verification of Marital Status**

**Verification of divorce status will be an original certified copy of the divorce decree, signed by a Court Officer.**

**Verification of a separation may be an original copy of court-ordered maintenance or other records.**

**Verification of original marriage status is a marriage certificate.**

**Familial Relationships**

**Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.**

The following verifications will always be required if applicable:

**Verification of relationship:**

**Official identification showing names  
Birth Certificates  
Baptismal certificates**

**Verification of guardianship is:**

**Court-ordered assignment  
Verification from Federal, State or local Social Agency**

**Evidence of a stable family relationship:**

**Joint bank accounts or other shared financial transactions  
Leases or other evidence of prior cohabitation  
Credit reports showing relationship**

**Verification of Permanent Absence of Adult Member**

If an adult member who was formerly a member of the household is reported permanently absent by the family, the PHA will consider any of the following as verification:

**Husband or wife institutes divorce action.**

**Husband or wife institutes legal separation.**

**Order of protection/restraining order obtained by one family member against another.**

**Proof of another home address, such as utility bills, canceled checks for rent, drivers license, or lease or rental agreement, if available.**

**Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.**

**If no other proof can be provided, the PHA will accept a notarized self-certification from the head of household, spouse or co-head if the head is the absent member.**

**If the adult family member is incarcerated, a document from the Court or prison should be obtained stating how long they will be incarcerated.**

**Verification of Change in Family Composition**

The PHA may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources.

**Verification of Disability**

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

**Verification of Citizenship/Eligible Immigrant Status**

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the PHA hearing is pending.

**Citizens or Nationals of the United States** are required to sign a declaration under penalty of perjury.

The PHA will require citizens to provide documentation of citizenship.

Acceptable documentation will include at least one of the following original documents:

United States birth certificate  
United States passport  
Resident alien/registration card

**Eligible Immigrants who were Participants and 62 or over on June 19, 1995**, are required to sign a declaration of eligible immigration status and provide proof of age.

**Non-citizens with eligible immigration status** must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the PHA must request within ten days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

**Noncitizen students on student visas** are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

**Failure to Provide.** If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required, they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

**Time of Verification.** For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination.

The PHA will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the family.

The PHA will verify the U.S. citizenship/eligible immigration status of all participants no later than the date of the family's first annual reexamination following the enactment of the Quality Housing and Work Responsibility Act of 1998.

For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in.

Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial PHA does not supply the documents, the PHA must conduct the determination.

**Extensions of Time to Provide Documents.** The PHA will grant an extension of up to 30 days for families to submit evidence of eligible immigrant status.

**Acceptable Documents of Eligible Immigration.** The regulations stipulate that only the following original documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)  
Alien Registration Receipt Card (I-151)  
Arrival-Departure Record (I-94)  
Temporary Resident Card (I-688)  
Employment Authorization Card (I-688B)  
Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

The PHA may verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the waiting list.

If the PHA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminate.

#### **Verification of Social Security Numbers**

Social security numbers must be provided as a condition of eligibility for all family members. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration. *Please see Chapter 2-9. (F) Mandatory Social Security Numbers policy.*

New family members will be required to produce their Social Security Card. This information is to be provided at the time the change in family composition is reported to the PHA.

In the case of an individual at least 62 years of age, the PHA may grant an extension for an additional 90 days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance may be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

#### **Verification of Medical Need for Larger Unit**

Written verification is necessary, and must be obtained from a knowledgeable professional who is familiar with the family's medical circumstances.

## Chapter 8

### VOUCHER ISSUANCE AND BRIEFINGS

#### INTRODUCTION

The PHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided with sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the PHA will conduct a mandatory briefing in person, virtually or by telephone to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This Chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

#### A. ISSUANCE OF VOUCHERS

When funding is available, the PHA will issue Vouchers to applicants whose eligibility has been determined. The number of Vouchers issued must ensure that the PHA stays as close as possible to 100 percent lease-up. The PHA performs a monthly calculation to determine whether applications can be processed, the number of vouchers that can be issued.

The PHA may over-issue Vouchers only to the extent necessary to meet leasing goals. All Vouchers issued may not necessarily be honored if the PHA determines there is insufficient available HAP funding at that time. If the PHA finds it is over-leased, it must adjust future issuance of Vouchers in order not to exceed the ACC budget limitations over the fiscal year or budget month.

#### B. BRIEFING TYPES AND REQUIRED ATTENDANCE

##### Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups or individual meetings as needed in person, virtually or by telephone.

Briefings will be conducted in English and/or Spanish.

The purpose of the briefing is to explain the documents in the Voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The PHA will not issue a Voucher to a family unless the household representative has attended a briefing and signed the Voucher. Applicants who provide prior written notice of inability to attend a briefing will be rescheduled for the next briefing. Applicants who fail to attend two scheduled briefings, without prior notification and approval of the PHA, will be denied admission based on failure to supply information needed for certification.

## **Briefing Packet**

The documents and information provided in the briefing packets for the Voucher programs will comply with all HUD requirements. The PHA also includes other information and/or materials which are not required by HUD.

The family is provided with the following information and materials:

The term of the voucher and the PHA policy for requesting extensions of the voucher.

A description of the method used to calculate the housing assistance payment for a family, including how the PHA determines the payment standard for a family; how the PHA determines total tenant payment for a family and information on the payment standard and utility allowance schedule. How the PHA determines the maximum allowable rent for an assisted unit.

Where the family may lease a unit.

A sample form the family must use to request approval of tenancy and a description of the procedure for requesting approval for a tenancy.

The form the family must use to report verification of move-in date to the PHA.

A statement of the PHA policy on providing information about families to prospective owners.

A statement of the PHA policy on obtaining Criminal/Credit Bureau Reports prior to initial certification, and follow-up reports as needed to detect possible program fraud and/or abuse.

The PHA subsidy standards including when and how exceptions are made and how the voucher size relates to the unit size selected.

The HUD brochure, "A Good Place to Live" on how to select a unit that complies with HQS.

The HUD pamphlet on lead-based paint entitled Protect Your Family From Lead in your home.

Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form. The PHA will also include the pamphlet "Fair Housing: It's Your Right".

A list of landlords or other parties willing to lease to assisted families or help in the search.

The family obligations under the program.

The grounds on which the PHA may obtain Criminal/Credit Bureau Reports to clarify discrepancies in income/expenditure ratios, or to detect possible program abuse and/or fraud.

The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act.

PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing and how to request a hearing.

Information packet including an explanation of how portability works.

**A census tract map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families.**

**Information regarding the PHA's outreach program which assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations. Updated landlord list to distinguish designated areas.**

**A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration.**

**Procedures for notifying the PHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair.**

**The family's rights as a tenant and a program participant.**

**Requirements for reporting changes between annual recertifications.**

**Choosing a unit carefully and only after due consideration.**

**The family Self Sufficiency program and its advantages.**

**A city map of the PHA jurisdiction.**

#### **Other Information to be Provided at the Briefing**

**The person conducting the briefing will also describe how the program works and the relationship between the family and the owner, the family and the PHA, and the PHA and the owner.**

**The briefing presentation emphasizes:**

**Family and owner responsibilities.**

**Where a family may lease a unit inside and outside its jurisdiction.**

**How portability works for families eligible to exercise portability.**

**Choosing a unit carefully and only after due consideration.**

**The Family Self-Sufficiency Program.**

**Information on the HUD Section 3 Act.**

**VAWA Notification Requirement**

#### **Owner Briefing**

**The PHA provides group briefings for new owners and any other owners who wish to attend at least once a year or as requested or needed. The purpose of the briefing is to assure successful owner participation in the program. The briefing covers the responsibilities and roles of the three parties.**

#### **C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION**

**At the briefing, families are encouraged to search for housing in non-impacted areas and the PHA will provide assistance to families who wish to do so.**

**The PHA has areas of poverty and minority concentration clearly delineated in order to provide families with information and encouragement in seeking housing opportunities outside highly concentrated areas.**

**The PHA will investigate and analyze when voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration.**

#### **D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION**

The PHA will give participants a copy of HUD form 903 to file a complaint.

#### **E. SECURITY DEPOSIT REQUIREMENTS**

##### **Leases Effective Prior to October 2, 1995**

The amount of security deposit which could have been collected by owners under contracts effective prior to October 2, 1995 is:

Under the premerger Certificate Program, the owner could have collected a Security Deposit in an amount not to exceed Total Tenant Payment or \$50.00, whichever is greater, for non-lease-in-place families.

For the premerger Voucher Program, the owner, at his/her discretion could have collected a Security Deposit in an amount not to exceed the amount charged to unassisted tenants not to exceed one month's rent.

##### **Leases Effective on or after October 2, 1995**

The owner is not required to but may collect a security deposit from the tenant.

Security deposits charged by owners may not exceed those charged to unassisted tenants or the maximum prescribed by State or local law.

For lease-in place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

The PHA does not consider first and last months' rent as an option as a security deposit required for housing participants.

#### **F. TERM OF VOUCHER**

Each eligible household will be issued a Voucher which represents a contractual agreement between the PHA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program nor does it guarantee housing assistance payment, which occurs when the lease and contract become effective.

##### **Expirations**

The voucher is valid for a period of sixty (60) calendar days from the date of issuance. The family must submit a Request for Tenancy Approval and Lease within the sixty day period unless an extension has been granted by the PHA.

If the voucher has expired, and has not been extended by the PHA 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.

##### **Suspensions**

When a Request for Tenancy Approval is received, the PHA will not deduct the number of days required to process the request from the 60 day term of the voucher.

## **Extensions**

**A family may request an extension of the voucher time period. All requests for extensions must be received in writing ten (10) calendar days prior to the expiration date of the Voucher by completing the City of Pasadena Voucher Extension Request Form.**

**Extensions are permissible at the discretion of the PHA primarily for the following reasons:**

**Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial sixty-day period. Verification is required.**

**The PHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the PHA, throughout the initial sixty-day period. A Search Record will be required in determination of an extension request.**

**The family was prevented from finding a unit due to disability accessibility requirements or large size bedroom unit requirement. A Search Record will be required.**

**The PHA extends in one or more increments. Unless approved by the Housing Administrator, no more than two extensions of 30 days will be granted. In no instance will the total Voucher term exceed 120 days.**

## **Assistance to Voucher Holders**

**Families who require additional assistance during their search may call the PHA Office to request assistance. Families are informed at the briefing session that the PHA periodically updates the listing of available units and how the updated list may be obtained.**

**The PHA will assist families with negotiations with owners and provide assistance related to the families' search for housing.**

## **G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS**

**In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the PHA shall consider the following factors to determine which of the families will continue to be assisted: (Chapter 2)**

**Which of the two new family units has custody of dependent children?**

**Which family member was the head of household when the Voucher was initially issued (listed on the initial application)?**

**The composition of the new family units, and which unit contains elderly or disabled members.**

**Whether domestic violence was involved in the breakup.**

**Which family members remain in the unit?**

**Recommendations of social service professionals.**

**Documentation of these factors will be the responsibility of the requesting parties.**

If documentation is not provided, the PHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

Where the breakup of the family also 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 sized voucher.

**H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER**

A voucher is only transferable to family members that are on the existing voucher and residing in the unit in the event of death of the head of household.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the family.

In order for a minor child to continue to receive assistance as a remaining family member in the event of death of the head of household:

The court has to have awarded emancipated minor status to the minor, or

The PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period and they must be determined eligible by the PHA.

A reduction in family size may require a reduction in the voucher family unit size.

## Chapter 9

### REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION

#### INTRODUCTION

The PHA's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. The PHA's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the PHA, or outside of the PHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with the PHA. This chapter defines the types of eligible housing, the PHA's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests for Tenancy Approval (RFTA).

#### A. REQUEST FOR TENANCY APPROVAL

The Request for Tenancy Approval (RFTA) and a copy of the proposed lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher.

The RFTA must be signed by both the owner and Voucher holder.

The PHA will not permit the family to submit more than one RFTA at a time.

The PHA will review the proposed lease and the Request for Tenancy Approval documents to determine whether or not they are approvable. The request will be approved if:

\*The unit is an eligible type of housing.

\*The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan).

\*The rent is reasonable.

\*The security deposit is approvable in accordance with any limitations in this plan.

\*The proposed lease complies with HUD and PHA requirements (See "Lease Review" section below.)

\*The owner is approvable, and there are no conflicts of interest. (See "Owner Disapproval" section below and Chapter 16.)

In addition to the above, at the time a family initially receives assistance in a unit (new admissions and moves), if the gross rent for the unit exceeds the applicable payment standard for the family, the family share of rent may not exceed 40 percent of the family monthly adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" Chapter 11 of the Administrative Plan.)

#### Disapproval of RFTA

If the PHA determines that the request cannot be approved for any reason, the landlord and the family will be notified. The PHA will instruct the owner and family of the steps that are necessary to approve the request.

The owner will be given 10 calendar days to submit an approvable RFTA from the date of disapproval.

When, for any reason, an RFTA is not approved, the PHA will furnish another RFTA form to the family so that the family can continue to search for eligible housing.

#### **B. ELIGIBLE TYPES OF HOUSING**

The PHA will approve any of the following types of housing in the voucher program:

\*All structure types can be utilized.

\*Manufactured homes where the tenant leases the mobile home and the pad.

\*Manufactured homes where the tenant owns the mobile home and leases the pad.

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.

The PHA may not permit a voucher holder to lease a unit which is receiving project-based Section 8 assistance or any duplicative rental subsidies.

#### **C. LEASE REVIEW**

The PHA will review the lease, particularly noting the approvability of optional charges and compliance with regulations and State and local law. The tenant also must have legal capacity to enter a lease under state and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the Request for Tenancy Approval.

The family and owner must submit a standard form of lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with state and local law.

The lease must specify:

\*The names of the owner and tenant, and

\*The address of the unit rented (including apartment number, if any), and

\*The amount of the monthly rent to owner, and

\*The utilities and appliances to be supplied by the owner, and

\*The utilities and appliances to be supplied by the family.

If the lease includes a move-in special, the special will be applied equally to both the family and the PHA. If any part of the move-in special includes a deposit, application fee, or any other non-rent amount, the family is responsible for these amounts. The PHA will only pay the rent portion of a move-in special. If the family does not pay any part of the rent, the PHA will pay the rent move-in special amount. If the family pays a share of the rent, then the move-in special will be applied by the PHA HAP and for any amount over the PHA HAP will be the tenant's responsibility to pay.

The HUD prescribed tenancy addendum must be included in the lease word-for-word before the lease is executed.

Effective September 15, 2000, the owner's lease must include the Lead Warning Statement and disclosure information required by 24 CFR 35.92(b).

The lease must provide that drug-related criminal activity engaged in by the tenant, any household member, or any guest on or near the premises, or any person under the tenant's control on the premises is grounds to terminate tenancy.

The lease must also provide that owner may evict family when the owner determines that:

Any household member is illegally using a drug; or

A pattern of illegal use of drug by any household member interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

House Rules of the owner may be attached to the lease as an addendum provided they are approved by the PHA to ensure they do not violate any fair housing provisions and do not conflict with the tenancy addendum.

#### **ACTIONS BEFORE LEASE TERM**

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

\*The PHA has inspected the unit and has determined that the unit satisfies the HQS;

\*The PHA has determined that the rent charged by the owner is reasonable:

\*The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum;

\*The landlord and the tenant have officially notified the PHA of the actual move-in date.

\*The PHA has approved leasing of the unit in accordance with program requirements;

\*When the gross rent exceeds the applicable payment standard for the family, the PHA must determine that the family share (total family contribution) will not be more than 40% of the family's monthly adjusted income.

\*Verification of move-in date

#### **D. Separate Agreements**

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the PHA.

Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be

put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

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If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the PHA. If agreements are entered into at a later date, they must be approved by the PHA and attached to the lease.

The PHA will not approve separate agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling.

#### **E. INITIAL INSPECTIONS**

See "Housing Quality Standards and Inspections" Chapter 10 of the Administrative Plan.

#### **F. RENT LIMITATIONS**

The PHA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

By accepting each monthly housing assistance payment from the PHA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner is required to provide the PHA with information requested on rents charged by the owner on the premises or elsewhere.

At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined by the PHA.

#### **G. DISAPPROVAL OF PROPOSED RENT**

If the proposed gross rent is not reasonable, at the family's request, the PHA will negotiate with the owner to reduce the rent to a reasonable rent. If the rent is not affordable because the family share would be more than 40% of the family's monthly adjusted income, the PHA will negotiate with the owner to reduce the rent to an affordable rent for the family.

At the family's request, the PHA will negotiate with the owner to reduce the rent or include some or all of the utilities in the rent to owner.

If the rent can be approved in writing after negotiations with the owner, the PHA will continue processing the Request for Tenancy Approval and lease. If the revised rent involves a change in the provision of utilities, a new Request for Tenancy Approval and/or lease agreement must be submitted by the owner.

If the owner will not agree to a negotiated rent, the PHA will inform the family and owner that the lease is disapproved.

#### **H. INFORMATION TO OWNERS**

In accordance with HUD requirements, the PHA will furnish prospective owners with the family's current address as shown in the PHA's records and, if known to the PHA, the name and address of the landlord at the family's current and prior address.

The PHA will make an exception to this requirement if the family's whereabouts must be protected due to domestic abuse or witness protection.

The PHA must provide the landlord with this information upon request, based on documentation in its possession.

9-4

This information will be provided for the last three years.

The information will be provided orally.

Only the Caseworker or Housing Administrator may provide this information.

The PHA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners.

The PHA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

#### **I. OWNER DISAPPROVAL**

See Chapter 16 on "Owner Disapproval and Restriction"

#### **J. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE**

When the family reports changes in factors that will affect the Total Family Share prior to the effective date of the HAP contract at admission, the information will be verified and the Total Family Share will be recalculated. If the family does not report any change, the PHA need not obtain new verifications before signing the HAP Contract, even if verifications are more than 60 days old.

#### **K. CONTRACT EXECUTION PROCESS**

The PHA prepares the Housing Assistance Contract for execution. The family and the owner will execute the Lease agreement, and the owner and the PHA will execute the HAP Contract. Copies of the documents will be furnished to the parties who signed the respective documents. The PHA will retain the original HAP Contract and a copy of all other signed documents.

The PHA makes every effort to execute the HAP Contract before the commencement of the lease term. The HAP Contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed.

Only the Mayor of the City of Pasadena, or his designated representative, acting as Executive Director, is authorized to execute a contract on behalf of the PHA.

New owners must complete a new owner packet before receiving any monetary compensation consisting of:

- 1 - Owner Application
- 2 - IRS W-9 Form
- 3 - Owner Certification and Responsibilities
- 4 - Direct Deposit Form/Authorization
- 5- Valid Picture State ID

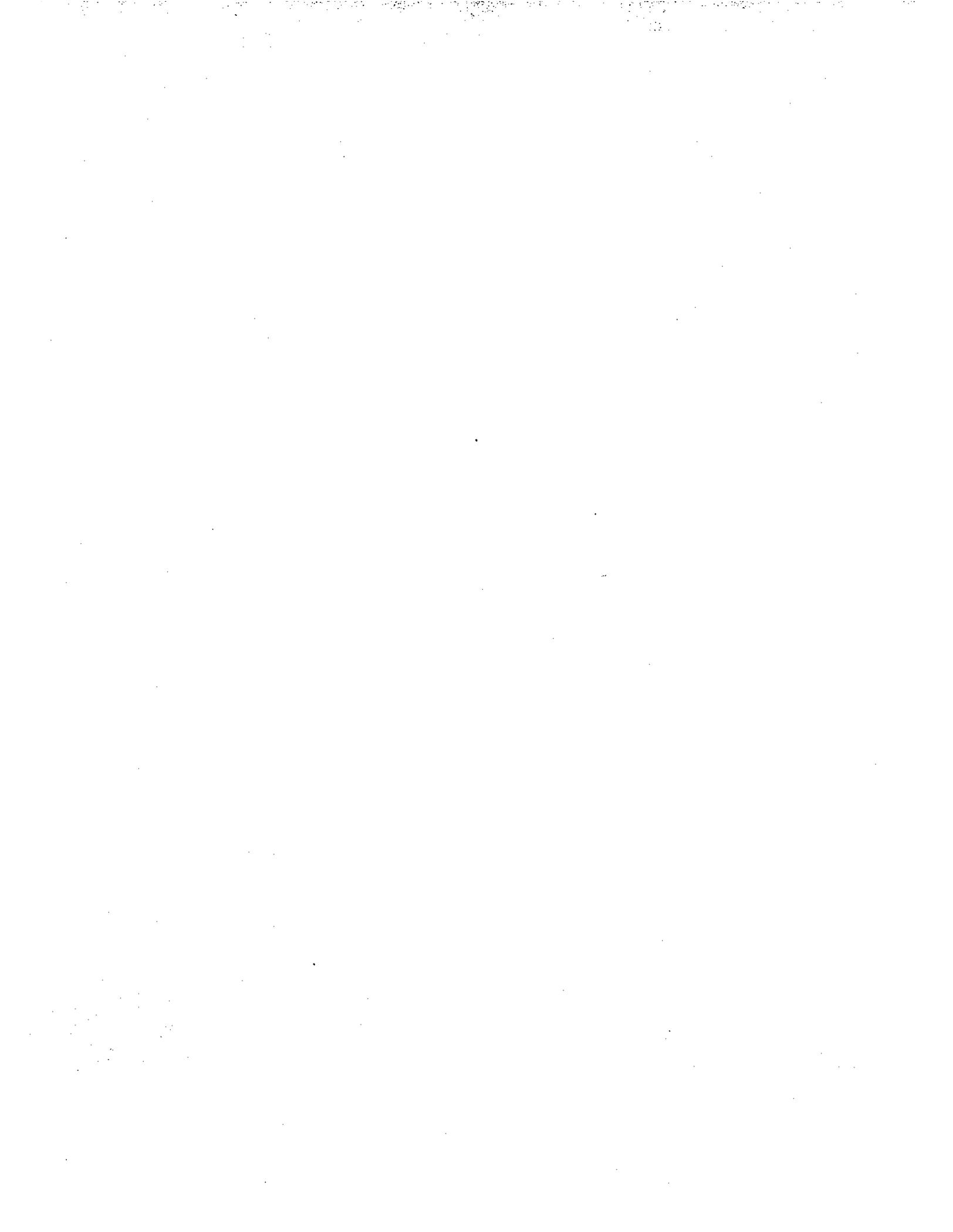
Owners must also submit proof of ownership of the property, such as a Grant Deed or Tax Bill, and a copy of the Management Agreement if the property is managed by a management agent.

**Unless their lease was effective prior to June 17, 1998, a family may not lease properties owned or managed by a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.**

**9-5**

**L. CHANGE IN OWNERSHIP**

**See "Owner Disapproval and Restriction" Chapter 16.**



## Chapter 10

### HOUSING QUALITY STANDARDS AND INSPECTIONS

#### INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards 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. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract.

The PHA will inspect each unit under contract at least annually. The PHA will also have an inspection supervisor perform quality control inspections on the number of files required for file sampling by SEMAP (Section 8 Management Assessment Program) annually to maintain the PHA's required standards and to assure consistency in the PHA's program. This Chapter describes the PHA's procedures for performing HQS and other types of inspections, and PHA standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and PHA requirements.

#### A. GUIDELINES/TYPES OF INSPECTIONS

The PHA reserves the right to conduct inspections at anytime without prior notification.

The PHA has adopted local requirements of acceptability in addition to those mandated by the HUD regulations. In the event of a local or National Disaster and/or local or National Emergency, inspections will be conducted in the method safest to Housing Department Staff and HCV Participants. As authorized by HUD, all HQS Inspections will be conducted by Remote Video Inspections. As defined by HUD, Remote Video Inspections (RVI) is a regular HQS Inspection performed remotely with a "proxy" inspector with the PHA HQS inspector remotely directing the inspection. Conducting a RVI does not change the current HQS requirements, Lead Based Paint (LBP) requirements or any additional criteria adopted by the PHA; it is simply an alternative method conducting a HQS inspection. RVI would give PHAs the flexibility to use an alternative inspection method to fulfill the HQS inspection requirements, without compromising the health and safety of the individuals by allowing for social distancing.

All units must meet the minimum standards set forth in the City of Pasadena Building/Housing Code. In cases of inconsistency between the Code and these HQS, the stricter of the two shall prevail.

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards. The PHA will not promote any additional acceptability criterion that is likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

All utilities must be in service prior to the inspection. If the utilities are not in service at the time of inspection, the inspector will notify the tenant or owner (whomever is responsible for the utilities according to the RFTA) to have the utilities turned on. The inspector will then schedule a reinspection.

All tenant paid utilities must be in the name of the head of household or other adult occupant within 60 days of occupying unit. Any other arrangements must be included in the lease agreement or submitted in writing to the PHA. This may be considered a family obligation violation and grounds for termination of the HAP Contract and termination of assistance.

If the tenant is responsible for supplying the stove and/or the refrigerator, the PHA will require the stove and refrigerator to be placed in the unit before the HQS inspection.

There are four types of inspections the PHA will perform:

1. Initial/Move-in: Conducted upon receipt of Request for Tenancy Approval (RFTA).
2. Bi-Annual: Must be conducted within 24 months of the last bi-annual inspection.
3. Special/Complaint: At request of owner, family or an agency or third party.
4. Quality Control

## **B. INITIAL HQS INSPECTION**

### **TIMELY INITIAL HQS INSPECTION**

The PHA will inspect the unit, determine whether the unit satisfies the HQS and notify the family and owner of the determination within 15 days after the date the unit is available for inspection as stated on the RFTA.

The same 15-day clock will be suspended during any period when the unit is not available for inspection.

The landlord/owner will include "date unit available for inspection" on the RFTA form. The date will determine whether the PHA will be required to meet the same 15-day requirement or whether the PHA will suspend the same 15-day period because the unit is not available for inspection until after the stated date on the RFTA.

For file audit purposes, the PHA will note in each tenant file, the date on which the unit first became available for inspection according to information obtained from the RFTA.

The Initial Inspection will be conducted to:

Determine if the unit and property meet the HQS defined in this Plan.

Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.

Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the owner will be advised to notify the PHA once repairs are completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as Fail, at the inspector's discretion, depending on the amount and complexity of work to be done.

The owner and/or family will be allowed one re-inspection for repair work to be completed. This number includes visits to a unit and not allowing the inspector to inspect by owner and/or family.

If the time period given by the inspector to correct the repairs has elapsed, or the maximum number of failed reinspections has occurred, the family must select another unit.

## **C. BI-ANNUAL HQS INSPECTIONS**

The PHA conducts an inspection in accordance with Housing Quality Standards at least annually, prior to a family's reexamination date. Special inspections may be scheduled

between anniversary dates.

## 10-2

HQS deficiencies which cause a unit to fail must be corrected by the landlord unless it is a fail item for which the tenant is responsible.

The family must allow the PHA to inspect the unit at reasonable times with reasonable notice.

Reasonable hours to conduct an inspection are between 8:00 a.m. and 5:00 p.m.

The PHA will make every effort to notify the family in writing or by phone at least 24 hours prior to the inspection except for Quality Control or Special Inspections. No appointments or notifications will be required by the PHA for these inspections.

If the family does not contact the PHA to reschedule the inspection, at least one more attempt will be made by the inspector to schedule an inspection. If that attempt fails, the inspector will return the inspection request to the family's caseworker for follow-up. The caseworker will contact the family by mail to request scheduling an inspection one more time. If there is no response from the family or the inspection attempt fails again, the PHA will consider the family to have violated a Family Obligation and their assistance will be terminated in accordance with the termination procedures in the Plan.

**Inspection:** Generally, the family and owner are notified of the date and time of the inspection appointment by mail. If the family is unable to be present, they must make arrangements to assure accessibility by the Inspector.

**Reinspection:** The family and owner are contacted by phone, or by mail if needed. If the unit is not accessible to the Inspector a card will be left at the unit advising the family to contact the PHA.

If the family was responsible for a breach of HQS identified in the "Denial or Termination of Assistance" Chapter 15 of this Administrative Plan, they will be advised of their responsibility to correct.

### Time Standards for Repairs

Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification. (See Emergency Repair Items page 10-6.)

For non-emergency items, repair must be made within 30 days.

### Rent Increases

Rent to owner increases may not be approved if the unit is in a failed condition.

## D. SPECIAL/COMPLAINT INSPECTIONS

If at any time the family or owner notifies the PHA that the unit does not meet Housing Quality Standards, the PHA may conduct a special investigation and/or inspection.

The PHA may also conduct a special investigation and/or inspection based on information from third parties such as neighbors or public officials.

The PHA will inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

If the bi-annual inspection date is within 60 days of a special inspection, and as long as all items were inspected that are included in an annual inspection, the special inspection will be

categorized as bi-annual and all bi-annual procedures will be followed.

10-3

#### **E. QUALITY CONTROL INSPECTIONS**

Quality Control inspections will be performed by the Housing Supervisor (or designated representative) on the number of files required by SEMAP. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.

The sampling of files will include recently completed inspections (within the prior 3 months), a cross-section of neighborhoods, and a cross-section of inspectors.

#### **F. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS**

The PHA adheres to the acceptability criteria in the program regulations and local codes with the additions described below;

##### **ADDITIONS**

**WALLS:** In areas where plaster or drywall is sagging, severely cracked or otherwise damaged, it must be repaired or replaced.

Any exterior or interior surfaces with peeling or chipping paint must be scraped and painted with at least one coat of unleaded paint or other suitable material.

**WINDOWS:** All window sashes must be in good condition, solid and intact, and fit properly in the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a watertight seal.

Window screens must be in good condition. (Applies only if screens are present.)

Any room for sleeping must have a window.

**DOORS:** All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

**FLOORS:** All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.

All floors must be in a finished state (no plywood).

**SINKS:** All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

**SECURITY:** If window security bars or security screens are present on emergency exit window, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

Owners are responsible for providing smoke alarms and batteries initially. Tenants will be instructed not to tamper with smoke detectors or remove batteries. Tenants will be responsible for replacing worn batteries in smoke alarms and for reporting malfunctioning

Owners are responsible for providing and maintaining Carbon Monoxide detectors are required in HUD's PIH Notice 2022-01.

**BEDROOMS:** Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability.

Minimum bedroom ceiling height is 7'6" or local code, whichever is greater. Sloping ceilings may not slope to lower than five feet in the 70 square foot area.

**AIR CONDITIONING:** All units must have air conditioning.

**MODIFICATIONS:** Modifications or adaptations to a unit due to a disability must meet all applicable HQS and building codes.

Extensions for repair items not required by HQS will be granted for modifications/adaptations to the unit if agreed by the tenant and landlord. PHA will allow execution of the HAP contract if unit meets all requirements and the modifications do not affect the livability of the unit.

**SITE AND NEIGHBORHOOD CONDITIONS:** The PHA determines acceptability of a unit by studying a number of factors. After the PHA approves the lease terms and verifies ownership, the unit must be inspected. This is to insure compliance with HUD's Housing Quality Standards (HQS). The PHA and HUD require that the unit be affordable, as well as decent, safe, and sanitary.

The Housing Inspector conducts the inspection and specifies physical deficiencies or conditions that must be corrected before the unit can be approved for occupancy. In addition to the physical condition of the actual rental unit, the apartment complex site and neighborhood are inspected for conditions that could seriously or continuously endanger the health or safety of the residents, or interfere with peaceful enjoyment of the unit.

Conditions that could prohibit approval of a apartment complex or neighborhood include, but are not limited to evidence of flooding or drainage problems, fire hazards, other buildings on or near the property with a potential for structural collapse, continuous or extreme noise or vibration, and an excessive number of police calls to the property site.

The PHA defines *excessive* as "the number of police calls exceeding a 1:1 ratio". (For example, the PHA evaluates the police dispatch record for an apartment complex consisting of 150 rental units. The dispatch record details the history of activity in the apartment complex. The number of police calls for the apartment complex should not exceed 150, or an average of 1 call per unit per year.)

The PHA collaborates with the Pasadena Police Department in obtaining the number of police calls, as well as the nature of these calls. Upon request, the Pasadena Police Department will generate a detailed history of police calls for the requested address. This information includes date and time of call, the specific apartment from which the call was made, and the nature and outcome of each incident. This report is studied by the PHA for activity such as burglary, assault, theft, public intoxication, and noise disturbances. The information obtained through this report determines the PHA's course of action.

If an apartment complex is found to exceed the "1:1 ratio", the PHA shall give written notice of its findings to the property owners and management. The notice will also specify the corrective measures needed, as well as a time frame in which to comply. In addition, the PHA may request from the Property owner and/or management a detailed plan of action by which they intend to correct the situation, and may prohibit new Housing Assistance Contracts during this time frame. At the end of the specified time frame, a follow-up history of police calls will be obtained from the Pasadena Police Department, and will be evaluated for a

reduction in police activity.

10-5

If the follow-up history indicates a marked decrease in the number of police calls, and property management has demonstrated effective crime-reduction policies, the PHA may approve additional Housing Assistance Contracts. In addition, the PHA will continue monitoring the number of police calls to the property to insure ongoing compliance.

However, if the PHA finds no improvement in the number of police calls, and the property has failed to implement any policies to reduce its numbers, then the property will be barred from any additional Housing Assistance Contracts, and the property will be removed from the PHA's list of available rental properties. In addition, the PHA may, at its discretion, move existing families from the property.

#### **G. EMERGENCY REPAIR ITEMS**

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the inspector:

- Lack of security for the unit**
- Waterlogged ceiling in imminent danger of falling**
- Major plumbing leaks or flooding**
- Natural gas leak or fumes**
- Electrical problems which could result in shock or fire**
- No heat when outside temperature is below 50 degrees Fahrenheit and temperature inside the unit is below 60 degrees Fahrenheit.**
- Utilities not in service**
- No running hot water**
- Broken glass where someone could be injured**
- Obstacle which prevents tenant's entrance or exit**
- Lack of functioning toilet**
- Lack of air conditioning**

The PHA may give a short extension (not more than 24 additional hours) whenever the responsible party cannot be notified or it is impossible to complete the repair within the 24-hour period.

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, proper authorities will be notified by the PHA.

If the emergency repair item(s) are not corrected in the time period required by the PHA, and the owner is responsible, the housing assistance payment will be abated and the HAP contract will be terminated.

If the emergency repair item(s) are not corrected in the time period required by the PHA and it is an HQS breach, which is a family obligation, the PHA will terminate assistance to the family.

#### **Smoke Detectors**

Inoperable smoke detectors are a serious health threat and will be treated by the PHA as an emergency (24-hour) fail item.

If the smoke detector is not operating properly the PHA will contact the owner by phone and request the owner to repair the smoke detector within 24 hours. The PHA may reinspect the unit the following day.

If the PHA determines that the family has purposely disconnected the smoke detector (by

removing batteries or other means), the family will be required to repair the smoke detector within 24 hours and the PHA may reinspect the unit the following day.

## 10-6

The PHA will issue a written warning to any family determined to have purposely disconnected the unit's smoke detector. Warning will state that deliberate disconnection of the unit's smoke detector is a health and fire hazard and is considered a violation of the HQS.

### Carbon Monoxide

Inoperable carbon monoxide detectors are a serious health threat and will be treated by the PHA as an emergency (24-hour) fail item.

If the carbon monoxide detector is not operating properly the PHA will contact the owner by phone and request the owner to repair the smoke detector within 24 hours. The PHA may reinspect the unit the following day.

### H. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS)

When it has been determined that a unit on the program fails to meet Housing Quality Standards, and the owner is responsible for completing the necessary repair(s) in the time period specified by the PHA, the assistance payment to the owner will be abated.

#### Abatement

A Notice of Abatement will be sent to the owner, and the abatement will be effective from the day of the failed inspection.

The PHA will inspect abated units within 5 days of the owner's notification that the work has been completed.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS. The notice of abatement states that the tenant is not responsible for the PHA's portion of rent that is abated.

#### Termination of Contract

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement, the owner will be sent a HAP Contract Proposed Termination Notice. Prior to the effective date of the termination, the abatement will remain in effect.

If repairs are completed before the effective termination date, the termination may be rescinded by the PHA if the tenant chooses to remain in the unit. The same inspection timeframe criteria apply as on page 10-2/3.

### I. DETERMINATION OF RESPONSIBILITY

Certain HQS deficiencies are considered the responsibility of the family:

Tenant-paid utilities not in service

Failure to provide or maintain family-supplied appliances

Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.

**“Normal wear and tear” is defined as items which could not be charged against the tenant’s security deposit under state law or court practice.**

**10-7**

**The owner is responsible for all other HQS violations.**

**The owner is responsible for vermin infestation even if caused by the family’s living habits unless addendum is signed by tenant. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The PHA may terminate the family’s assistance on that basis.**

**The inspector will make a determination of owner or family responsibility during the inspection. The owner or tenant may appeal this determination within 10 days of the inspection. The appeal request must in writing and must include specific items included in the inspection.**

**If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs, and the family’s file will be noted.**

#### **J. CONSEQUENCES IF FAMILY IS RESPONSIBLE**

**If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the PHA will require the family make any repair(s) or corrections within 24 hours (emergency items) or 30 days (non-emergency items). If the repair(s) or correction(s) are not made in this time period, the PHA will terminate assistance to the family, after providing an opportunity for an informal hearing. The owner’s rent will not be abated for items, which are the family’s responsibility.**

**If the tenant is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.**



## Chapter 11

### OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

#### INTRODUCTION

The policies in this chapter reflect the amendments to the HUD regulations, which were implemented by the Quality Housing and Work Responsibility Act of 1998 for the Section 8 Tenant-Based Assistance Program. These amendments became effective on October 1, 1999, which is referred to as the “merger date”. These amendments complete the merging of the Section 8 Certificate and Voucher Programs into one program, called the Housing Choice Voucher Program.

All Section 8 participant families have been transitioned to the Housing Choice Voucher Program on or before October 1, 2001. Rent calculation methods for the Housing Choice Voucher Program are described at 24 CFR 982.505. The rent calculation formula is specific and is not subject to interpretation.

The PHA will determine rent reasonableness in accordance with 24 CFR 982.507 (a). It is the PHA’s responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparables in the rental market, using the criteria specified in 24 CFR 982.507 (b).

This chapter explains the PHA’s procedures for determination of rent-reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments.

#### A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM

The rent to owner is limited only by rent reasonableness. The PHA must demonstrate that the rent to owner is reasonable in comparison to rent for other comparable unassisted units.

The only other limitation on rent to owner is the maximum rent standard at initial occupancy. At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, if the gross rent for the unit exceeds the applicable payment standard for the family, the family share may not exceed 40 percent of the family’s monthly adjusted income.

During the initial term of the lease, the owner may not raise the rent.

#### B. MAKING PAYMENTS TO OWNERS

Once the HAP contract is executed, the PHA begins processing payments to the landlord. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made to the HAP Register for the following month. The PHA generally processes payments on or around the last day of each month. Direct Deposit of funds will be posted each month to the bank account provided by the owner.

Because of the time required for the processing and disbursement of monthly payments, the PHA utilizes a monthly “cut-off date”. A family must take occupancy of the unit, or the unit must pass subsequent reinspection, or the family must pay any monies owed to the PHA by this date in order for payment to be processed. HAP payments and Utility Reimbursement payments may be delayed one (1) month in the following cases:

- For initial occupancy, the family takes occupancy of the unit after the cut-off date, or
- For annual recertification, the unit does not pass a bi-annual reinspection until after the cut-off date, or

- The family pays any monies owed to the PHA after the cut-off date.

In these cases, retroactive payment will be processed with the following monthly payment.

In the event that a direct deposit payment is returned by the bank for any circumstance, the issue will be investigated and once this is resolved, the payment will be included in the following month's direct deposit payments or in certain special circumstances a hard physical check will be provided. Utility reimbursement checks that are not received due to lost or stolen will not be replaced until the required request forms with proper documentation has been provided by the payee. The request will then be forwarded to the City of Pasadena Controller's office for processing. In addition, the Pasadena Housing Program Office will follow the City of Pasadena Controller's Office procedures in handling unclaimed checks.

### **EXCESS PAYMENTS**

The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the PHA.

Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to the PHA" Chapter 17 of this Administrative Plan.

### **C. RENT REASONABLENESS DETERMINATION**

The PHA will determine and document on initial moves and rent increases that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs.

The PHA will not approve a lease until the PHA determines that the initial rent to owner is a reasonable rent. The PHA must redetermine the reasonable rent before any increase in the rent to owner. The PHA must re-determine the rent reasonableness if there is a decrease of 5% or more 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 PHA must redetermine rent reasonableness as directed by HUD and based on a need identified by the PHA's auditing system. The PHA may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the PHA.

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give the PHA information on rents charged by the owner for other units on the premises or elsewhere. The PHA will only request information on the owner's units elsewhere if the PHA has cause to demonstrate that the owner has a tendency to charge higher rents to program participants or if needed for rent reasonableness comparables.

The data for other unassisted units will be gathered from newspapers, realtors, apartment locator services, inquiries of owners, market surveys and internet sites.

The market areas for rent reasonableness are zip codes, neighborhoods, or census tracts in the PHA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

The following items will be used for rent reasonableness documentation:

Size	Location
Quality	Amenities (bathrooms, dishwasher (etc.)
Housing Services	Unit type
Age of Unit	Utilities
Maintenance	

#### **RENT REASONABLENESS METHODOLOGY**

The PHA utilizes a rent reasonableness system which includes and defines the HUD factors listed above. The PHA maintains a database that includes data on assisted and unassisted units for use by staff in making rent reasonableness determinations. The data identifies the average rents for units of like size and type, and lists each property's amenities. The data is updated on an ongoing basis. At least one comparable unit will be used to document rent reasonableness.

#### **D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM**

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the PHA's discretion, the Voucher Payment Standard amount is set by the PHA between 90 percent and 110 percent of the HUD published FMR. This is considered the basic range. The PHA reviews the appropriateness of the Payment Standard at least annually when a new FMR is published. In determining whether a change is needed, the PHA will ensure that the Payment Standard is always within the range of 90 percent to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD. Payment standards may be raised or lowered if it is determined that average area rents have increased or decreased. The Housing Administrator is authorized to increase or decrease payment standards as needed or as the rental market may require.

The PHA will establish a single voucher payment standard amount for the PHA's jurisdiction, and a payment standard amount for each "unit size" will be established. The PHA may have a higher payment standard within the PHA's jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90-110% of FMR range.

The PHA may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities.

The Pasadena Housing Program payment standards for the Housing Choice Voucher Program will be set at 100% of the HUD published Fair Market Rents (FMR) as required and allowed by HUD under *24 CFR 982.503, Voucher Tenancy, Payment Standard Amount Schedule* part (a) & (b). This will be the rate for the designated and non-designated areas.

The payment standards will be reviewed annually and will be effective every November 1 following HUD's October 1 release of new FMR's unless revised by the PHA then the change will be effective the month following the change. If HUD publishes any revisions other than the October release, the new payment standard will be effective 60 days after the HUD published date, unless specified by any approved payment standard revision within the HUD range.

#### **E. ADJUSTMENTS TO PAYMENT STANDARDS**

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families rents affordable. The PHA will not raise Payment Standards solely to make "high end" units available to Voucher holders. The PHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standard.

### **ASSISTED FAMILIES' RENT BURDENS**

If it is determined that particular unit sizes in the PHA's jurisdiction have payment standard amounts that are creating rent burdens for families, the PHA will modify its payment standards for those particular unit sizes.

The PHA will increase its payment standard within the basic range for those particular unit sizes to help reduce the percentage of annual income that participant families in the PHA's jurisdiction are paying.

The PHA will establish a separate voucher payment standard, within the basic range, for designated parts of its jurisdiction if it determines that a higher payment standard is needed in these designated areas to provide families with quality housing choices and to give families an opportunity to move outside areas of high poverty and low income.

### **QUALITY OF UNITS SELECTED**

The PHA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

### **PHA DECISION POINT**

The PHA will review the average percent of income of families on the program. If more than 30% of families are paying more than 30% of monthly adjusted income, the PHA will review the variables and determine if an adjustment to the payment standards is warranted.

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units or luxury units, the PHA may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, the PHA will continue increasing the payment standard.

Also, the Housing Administrator may adjust the payment standards should a change in gross rents or HUD funding warrant decreased or increased payment standards.

### **RENT TO OWNER INCREASES**

The PHA may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

### **TIME TO LOCATE HOUSING**

The PHA may consider the average time period for families to lease up under the Voucher program. If more than 30% of Voucher holders are unable to locate suitable housing within the term of the voucher and the PHA determines that this is due to rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

### **LOWERING OF THE PAYMENT STANDARD**

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.

## **FINANCIAL FEASIBILITY**

Before increasing the Payment Standard, the PHA may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

For this purpose, the PHA will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

## **F. EXCEPTION PAYMENT STANDARDS**

If the dwelling is located in an exception area, the PHA must use the appropriate payment standard amount established by the PHA for the exception area in accordance with regulation.

To prevent financial hardship for families, and increase housing choice opportunities, the PHA will, when necessary, request approval from HUD to establish an exception payment standard above the basic range for designated areas in the PHA's jurisdiction.

## **G. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM**

The owner is required to notify the PHA, in writing, at least sixty days before any change in the amount of rent to owner is scheduled to go into effect. Any requested change in rent to owner will be subject to rent reasonableness requirements. If an owner requests a rent increase or change in terms during the annual review process, the effective date of the owner's request for a change will coincide with the effective date of the annual re-exam.

## Chapter 12

### RECERTIFICATIONS

#### INTRODUCTION

In accordance with HUD requirements, the PHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent changes. All annual activities will be coordinated in accordance with HUD regulations. It is a HUD requirement that families report all changes in household composition. This Chapter defines the PHA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

#### A. ANNUAL ACTIVITIES

There is one activity the PHA must conduct on an annual basis. This activity will be coordinated whenever possible:

##### 1. Recertification of Income and Family Composition

The PHA produces a monthly listing of units under contract to ensure that annual family re-examinations are completed in a timely manner.

Reexamination of the family's income and composition must be conducted at least annually.

Rent adjustments: See "Owner Rents, Rent Reasonableness and Payment Standards" Chapter 11.

#### B. ANNUAL RECERTIFICATION/REEXAMINATION

Families are required to be recertified at least annually.

Families must state they are going to move at the recertification appointment.

If the family requests a move then decides to lease in place they must notify us in writing 30 days in advance of recertification date.

When families move to another dwelling unit: An annual recertification will be scheduled (unless a recertification has occurred in the last 120 days) and the anniversary date will be changed.

#### Reexamination Notice to the Family

The PHA will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview at least 60 to 90 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the PHA will provide the notice in an accessible format. The PHA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

## **Procedure**

The PHA's procedure for conducting annual recertifications will be:

1. Schedule the date and time of appointments and mail a notification to the family.
2. Elderly or disabled persons may be recertified by a Home visit if circumstances warrant this accommodation.
3. Appointments may be conducted in person, by phone or virtually.
4. If during the recertification process, the PHA discovers an overpayment of HAP by the PHA, the family will have 30 days to reimburse. No PHA payment will be made beyond the recertification date if the family has not made a reasonable attempt to enter into a repayment agreement or pay the debt in full. If no payment is made during the 30 days, the family will be terminated from the program. Otherwise, the PHA may set up payments with a Repayment Agreement.

## **COMPLETION OF ANNUAL RECERTIFICATION**

The PHA will have all recertifications for families completed before the anniversary date if the family has complied with all requirements. This includes notifying the family of any changes in rent within a reasonable amount of time before the scheduled date of the change in family rent if reported in a timely manner.

## **PERSONS WITH DISABILITIES**

Persons with disabilities who are unable to come to the PHA's office will be granted an accommodation by conducting the interview at the family's home or by mail, upon verification that the accommodation requested meets the need presented by the disability.

## **COLLECTION OF INFORMATION**

The PHA has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate.

The PHA will require the family to complete all required annual reexamination forms and releases prior to all recertification interviews.

The PHA representative will interview the family and enter the information provided by the family on the Compliance with Annual Recertification form, review the information with the family and have them sign the form.

## **REQUIREMENTS TO ATTEND**

The following family members will be required to attend the recertification interview:

- \*The head of household and all adults unless working or attending school

If the head of household is unable to attend the interview:

- \*The appointment may be rescheduled, or

**\*The spouse/co-head may recertify for the family, if the head of household has provided and signed all required recertification verifications.**

#### **FAILURE TO RESPOND TO NOTIFICATION TO RECERTIFY**

**The written notification must specify the date and time of the recertification appointment. The written notification will also specify the date by which the recertification process must be completed. The family may call to request another appointment date if the family will be unable to attend the interview on the specified date and/or time.**

**If the family is unable to attend the recertification interview, the PHA will, upon request by the family, schedule a second appointment.**

**If the family fails to appear for the second appointment, the PHA will terminate assistance.**

**If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements, the PHA will send the family a notice of termination approximately 30 days prior to the effective date of termination.**

**Exceptions to these policies may be made if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.**

#### **DOCUMENTS REQUIRED FROM THE FAMILY**

**In the notification letter to the family, the PHA will include instructions for the family to bring the following:**

- \*Documentation of all household income and assets,**
- \*Documentation of any deductions/allowances,**
- \*Annual recertification forms completed and signed by all adult household members.**

**Also, all participants will be encouraged to provide copies of all documents that the PHA can keep.**

#### **VERIFICATION OF INFORMATION**

**The PHA will follow the verification procedures and guidelines described in the Administrative Plan Chapter 7. Verifications for reexamination must be less than 60 days old.**

#### **TENANT RENT INCREASES**

**If tenant rent increases, a notice is mailed to the family within a reasonable amount of time prior to the scheduled effective date of the annual recertification.**

**If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent, and the PHA will charge the family an overpayment of rent which shall be paid back to the PHA.**

**If the family has complied with all requirements, the above time frames will apply.**

#### **TENANT RENT DECREASES**

**If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent changes will be effective as of the actual completion of the annual recertification.**

### **C. REPORTING INTERIM CHANGES**

Program participants must report all changes in household composition and income to the PHA between annual reexaminations. This includes additions due to birth, adoption, and court-awarded custody. The family must obtain PHA approval prior to all other additions to the household.

If any new family member is added, family income must include any income of the new family member. The PHA will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim.

#### **Increases in Income**

Changes in household status that increase the Total Tenant Payment will be made effective no less than 30 days and no more than 60 days from the date the change occurred and may be retroactive.

#### **Interim Reexamination Policy**

The PHA will conduct interim reexaminations when families have an increase in income.

Families are required to report all increases in income/assets of all the household members to the PHA in writing within ten (10) days of the increase.

If a change in income occurs within a two week time period and there is not a break in receipt of income for more than two weeks, the interim will become effective the 1st of the following month. This will apply if the family has reported in a timely manner; otherwise, an overpayment may result.

#### **Decreases in Income**

Participants must report a decrease in income and other changes that would reduce the amount of tenant rent, such as an increase in allowances or deductions. The PHA must calculate the change if a decrease in income is reported.

#### **PHA ERRORS**

If the PHA makes a calculation error at admission or at an annual or interim reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable; retroactive to when the decrease would have been effective if calculated correctly.

### **D. Other Interim Reporting Issues**

An interim reexamination does not affect the date of the annual recertification.

An interim reexamination will be scheduled for families with zero or unstable income every 90 days.

In the following circumstances, the PHA may conduct the interim recertification by mail:

Changes that will not result in a change in voucher size.

Changes in income that is normal for the family, such as seasonal employment.

#### **E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

The PHA will not reduce the family share of rent for families whose welfare assistance is reduced by the welfare agency specifically because of:

**Fraud in connection with the welfare program; or**

**Noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program; or**

**Noncompliance with other welfare agency requirements.**

However, the PHA will reduce the rent if the welfare assistance reduction is a result of:

**The expiration of the lifetime time limit for receiving benefits; or**

**A situation where the family has complied with welfare program requirements but cannot obtain employment.**

The family's annual income will include the imputed welfare income, as determined at the family's annual or interim reexamination, during the term of welfare benefits reduction (as specified by the welfare agency).

The amount of imputed welfare income will be offset by the amount of additional income the family receives that commences after the sanction was imposed. When additional income from other sources is at least equal to the imputed welfare income, the imputed welfare income will be reduced to zero.

If the family claims the amount of imputed welfare income has been calculated incorrectly, the caseworker will review the calculation for accuracy. If the imputed welfare income is correct, the PHA will provide a written notice to the family that includes:

**A brief explanation of how the amount of imputed welfare income was determined;**

**A statement that the family may request an informal hearing if they do not agree with the PHA determination.**

#### **Definition of Covered Family**

**A household that receives benefits for welfare or public assistance from a State or public agency program which requires, as a condition of eligibility to receive assistance, the participation of a family member in an economic self-sufficiency program.**

#### **COOPERATION AGREEMENTS**

The PHA may execute a Memorandum of Understanding with the local welfare agency under which the welfare agency agrees to provide written verification to the PHA concerning welfare benefits for applicant and participant families, and specified reduction in welfare benefits for a family member, listing the amount of reduction, reason for reduction, term of reduction, and subsequent redetermination.

The PHA will rely on the welfare agency's written notice regarding the amount of specified benefit reduction.

The PHA may execute a Memorandum of Understanding with the local welfare agency to ensure timely and accurate verification of noncompliance.

The PHA and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 tenant-based assistance families.

#### **F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS**

The HUD Form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures are not required by the PHA. If the family disagrees with the rent adjustment, they may request an informal hearing.

#### **G. TIMELY REPORTING OF CHANGES IN INCOME, FAMILY COMPOSITION, AND ASSETS**

##### **Standard for Timely Reporting of Changes**

The PHA requires that families report changes in writing to the PHA within ten (10) days of when the change occurs. Any information, document or signature needed from the family that is needed to verify the change must be provided within 10 days of the change. For a decrease in income, participants must report changes in income in writing to our office by the 15<sup>th</sup> day of the month in order to have the decreased rent effective for the first of the following month. Changes in decreased income received after the 15<sup>th</sup> day of the month will not be made effective the following month. The change in decrease will be made effective the month after that. During a time of a National Disaster or National Emergency, the change will be effective the following month of when the income change occurred even if report after the 15<sup>th</sup> day of the month.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

##### **Procedures when the Change is Reported in a Timely Manner**

The PHA will notify the family and the owner of any change in the Housing Assistance Payment (HAP) to be effective according to the following guidelines:

**Increase in the Tenant Rent** is effective on the first of the month following reasonable notice.

**Decreases in the Tenant Rent** are effective the first of the month following that in which the change occurred if the change is reported by the 15<sup>th</sup> day of the month. Participants must report changes in income in writing to our office by the 15<sup>th</sup> day of the month in order to have the decreased rent effective for the first of the following month. Changes in decreased income received after the 15<sup>th</sup> day of the month will not be made effective the following month. The change in decrease will be made effective the month after that. During a time of a National Disaster or National Emergency, the change will be effective the following month of when the income change occurred even if reported after the 15<sup>th</sup> of the month.

(Example if change was turned in May 16 for a decrease, the change will be effective July 1)

However, no rent reductions will be processed until all the facts have been verified, even if a retroactive adjustment results.

The change will be implemented when all third-party written verifications have been reviewed.

**Procedures when the Change is Not Reported by the Tenant in a Timely Manner**

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

**Increase in Tenant Rent** will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing and may be required to make a lump sum payment and/or sign a repayment agreement.

**Decrease in Tenant Rent** will be effective on the first of the month following the month that the change was reported only if information was reported in writing to our office by the 15<sup>th</sup> day of the month. Changes in decreased income received after the 15<sup>th</sup> day of the month will not be made effective the following month. The change in decrease will be made effective the month after that.

(Example if change was turned in May 16 for a decrease, the change will be effective July 1)

**Procedures when the Change is Not Processed by the PHA in a Timely Manner**

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the PHA in a timely manner.

In this case, an increase will be effective after the required notice prior to the first of the month after completion of processing by the PHA.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

**H. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES**

(See "Subsidy Standards Chapter 5.)

**I. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES**

Under the Noncitizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

The Noncitizens Rule was implemented prior to November 29, 1996, and "Mixed" families who were participants as of June 19, 1995 shall continue receiving full assistance if they meet all of the following criteria:

"Mixed" families who were participants on June 19, 1995, shall continue receiving full assistance if they meet the following criteria:

1. The head of household or spouse is a U.S. citizen or has eligible immigrant status; AND
2. All members of the family other than the head, the spouse, parents of the head, parents of the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.

**Mixed families who qualify for continued assistance after 11/29/96 may receive prorated assistance only.**

**If they do not qualify for continued assistance, the member(s) that cause the family to be ineligible for continued assistance may move or family may choose prorated assistance.**

**J. MISREPRESENTATION OF FAMILY CIRCUMSTANCES**

**If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the PHA will terminate assistance and will refer the family file/record to the proper authorities for appropriate disposition.**

## Chapter 13

### MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

#### INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the PHA's jurisdiction, or to a unit outside of the PHA's jurisdiction under Portability procedures. The regulations also allow the PHA the discretion to develop policies that define any limitations or restrictions on moves. This Chapter defines the procedures for moves, both within and outside of, the PHA's jurisdiction, and the policies for restriction and limitations on moves.

#### A. ALLOWABLE MOVES

A family may move to a new unit if:

The assisted lease for the old unit has terminated because the PHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.

The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (unless assistance to the family will be terminated).

The family has given proper notice of lease termination (if the family has a right to terminate the lease on notice to owner).

#### B. RESTRICTIONS ON MOVES

Families will not be permitted to move within the PHA's jurisdiction during the first year of assisted occupancy.

Families will not be permitted to move outside the PHA's jurisdiction during the first year of assisted occupancy.

Families will not be permitted to move more than once in a 12-month period.

The PHA will deny permission to move if there is insufficient funding for continued assistance.

The PHA may deny permission to move if:

\*The family has violated a Family Obligation.

\*The family owes the PHA money.

\*The family has moved or been issued a Voucher within the last twelve (12) months.

The Housing Administrator may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

#### C. PROCEDURE FOR MOVES

##### Issuance of Voucher

Subject to the restrictions on moves, if the family has not been recertified within the last 120 days, the PHA will issue the voucher to move after conducting the recertification.

-If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

The owner must provide the PHA with a written letter that allows the family to remain in place.

#### **Notice Requirements**

Briefing sessions emphasize the family's responsibility to give the owner and the PHA proper written notice of any intent to move.

The family must give the owner the required number of day's written notice of intent to vacate specified in the lease and must give a copy to the PHA simultaneously.

#### **Time of Contract Change**

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance.

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy, unless proper notice was given to end a lease mid-month. Assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap for the month in which the family moves. Overlapping assistance is not allowed except for emergencies or special circumstances as determined by the PHA.

#### **D. PORTABILITY**

Portability applies to families moving out of or into this PHA's jurisdiction within the United States and its territories.

#### **E. OUTGOING PORTABILITY**

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside this PHA's jurisdiction, anywhere in the United States, within the jurisdiction of a PHA with a tenant-based program. When a family requests to move outside of this PHA's jurisdiction, the request must specify the area to which the family wants to move.

If there is more than one PHA in the area in which the family has selected a unit, the family must obtain the receiving PHA information for the locality in which they wish to live.

#### **Restrictions on Portability**

##### **Applicants**

Sufficient HAP funding must be available.

If neither the head nor spouse had a domicile (legal residence) in this PHA's jurisdiction at the date of their initial application for assistance, the family will not be permitted to exercise portability upon initial issuance of a voucher, unless the PHA approves such move. [Note: legal domicile is defined by local government.]

For a portable family that was not already receiving assistance in the PHA's based program, the PHA must determine whether the family is eligible for admission under the receiving PHA's program.

#### **PARTICIPANTS**

Sufficient HAP funding must be available. Families may be denied portability if sufficient HAP funding is not available if the receiving PHA will not absorb and must invoice the initial PHA.

Participants may move only once within a 12 month period.

After an applicant has leased in the jurisdiction of the initial housing agency, they cannot exercise portability during the first year of assisted occupancy, except in the following circumstances.

- \*The receiving and initial PHA agree to allow the move; or
- \*The move is documented as a necessary accommodation as presented by an elderly or disabled family.

The PHA will not permit families to exercise portability:

- \*If the family is in violation of a family obligation.
- \*If the family owes money to this PHA.
- \*If the family has moved out of its assisted unit in violation of the lease.

Receiving PHA's will be required to submit hearing determinations to the initial PHA within fifteen days.

## **F. INCOMING PORTABILITY**

### **Absorption or Administration**

The PHA will accept a family with a valid Voucher from another jurisdiction and administer or absorb the Voucher. If administering, the family will utilize the Voucher issued by the initial PHA. The family must submit a request for approval of tenancy for an eligible unit to the receiving PHA during the term of the initial PHA's voucher. The receiving PHA may grant extensions in accordance with this Administrative Plan. However, if the family decides not to lease in the PHA's jurisdiction, they must contact the initial PHA to request an extension. Incoming portables are usually absorbed at their annual reexamination if the family wishes to remain in the receiving PHA's jurisdiction.

When the PHA does not absorb the incoming Voucher, it will administer the Initial PHA's Voucher and the receiving PHA's policies will prevail.

For admission to the program a family must be income eligible in the area where the family initially leases a unit with assistance under the program.

The receiving PHA does not redetermine eligibility for a portable family that was already receiving assistance in the initial PHA Section 8 tenant-based program.

The PHA will administer the initial PHA's Voucher, including determination of proper Voucher size, according to the receiving PHA's Subsidy Standards.

### **Income and Total Tenant Payment of Incoming Portables**

As receiving PHA, the PHA will conduct a recertification interview but only to verify the information provided if the documents are missing or over 120 days old, whichever is applicable, or there has been a change in the family's circumstances.

If the PHA conducts a recertification of the family, it will not cause a delay in the issuance of a voucher.

If the family's income is such that a \$0 subsidy amount is determined prior to leasing in the receiving PHA's jurisdiction, the PHA will refuse to enter into a contract on behalf of the family at \$0 assistance.

### **Requests for Approval of Tenancy**

A briefing will be mandatory for all portability families.

**When the Family submits a Request for Tenancy Approval, it will be processed using the PHA's policies. If the Family does not submit a Request for Tenancy Approval or does not execute a lease, the Initial PHA will be notified by the PHA.**

**If the Family leases up successfully, the PHA will notify the Initial PHA and billing will commence.**

**The PHA will notify the initial PHA if the family fails to submit a request for approval of tenancy for an eligible unit within the term of the voucher.**

**If the PHA denies assistance to the family, the PHA will notify the Initial PHA, and the family will be offered a review or hearing.**

**The PHA will notify the Family of its responsibility to contact the Initial PHA if the Family wishes to move outside the PHA's jurisdiction under continued portability.**

### **Regular Program Functions**

**The PHA will perform all program functions applicable to the tenant-based assistance program, such as:**

- \*Annual reexaminations of family income and composition;**
- \*Bi-Annual inspection of the unit, and**
- \*Interim Examinations when requested or deemed necessary by the PHA.**

### **Terminations**

**The PHA will notify the Initial PHA in writing of any termination of assistance. If an Informal Hearing is required and requested by the Family, the hearing will be conducted by the PHA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the Initial PHA.**

**The Initial PHA will be responsible for collecting amounts owed by the Family for claims paid and for monitoring repayment. If the Initial PHA notifies the PHA that the Family is in arrears or the Family has refused to sign a Payment Agreement, the PHA will terminate assistance to the family.**

### **Required Documents**

**As Receiving PHA, the PHA will require the documents listed on the HUD Portability Billing Form from the Initial PHA.**

### **Billing Procedures**

**As Receiving PHA, the PHA will bill the Initial PHA for Housing Assistance Payments and Administrative Fees. The billing for other amounts, including Special Claims will be as needed, unless requested otherwise by the Initial PHA.**

**The PHA will bill 100% of the Housing Assistance Payment, 100% of Special Claims and per the current HUD formula for Administrative Fee (at the Initial PHA's rate) for each "Portability" Voucher leased as of the first day of the month.**

**The PHA will notify the Initial PHA of changes in subsidy amounts and will expect the Initial PHA to notify the PHA of changes in the Administrative Fee amount to be billed.**

## Chapter 14

### CONTRACT TERMINATIONS

#### INTRODUCTION

The Housing Assistance Payments (HAP) Contract is the contract between the owner and the PHA that defines the responsibilities of both parties. This Chapter describes the circumstances under which the contract can be terminated by the PHA and the owner, and the policies and procedures for such terminations.

#### A. CONTRACT TERMINATION

The term of the HAP Contract is the same as the term of the lease. The Contract between the owner and the PHA may be terminated by the PHA, or by the owner or tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by the PHA to the owner after the month in which the Contract is terminated. The owner must reimburse the PHA for any subsidies paid by the PHA for any period after the contract termination date.

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease another unit. The contract for the new unit may begin during the month in which the family moved from the old unit.

#### B. TERMINATION BY THE FAMILY: MOVES

The lease stipulates that the family cannot move from the unit until after the first year of the lease. The notice period to the landlord is determined by the lease, but may not exceed 60 days.

#### C. TERMINATION BY THE OWNER: EVICTIONS

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

During the term of the lease the owner may only evict for:

Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violations of the terms and conditions of the lease;

Violations of Federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or criminal activity by the tenant, any members of the household, a guest or other person under the tenant's control that threatens the health, safety, or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug-related criminal activity on or near the premises.

Tenant history of disturbance of neighbors, destruction of property, or behavior resulting in damage to the premises

Other good cause.

During the initial term of the lease, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do. The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant. At the same time, the owner must provide the PHA with a copy of the written notice given to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

The PHA requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for the PHA’s decision regarding termination of assistance.

Housing assistance payments are paid to the owner under the terms of the HAP contract. If the owner has begun eviction and the family continues to reside in the unit, the PHA must continue to make housing assistance payments to the owner until the owner has obtained a court judgement or other process allowing the owner to evict the tenant.

The PHA will continue housing assistance payments until the family moves or is evicted from the unit.

If the action is finalized in court, the owner must provide the PHA with the documentation, including notice of the writ of possession date.

The PHA must continue making housing assistance payments to the owner in accordance with the contract. By withdrawing or making use of the monthly housing assistance payment (HAP) deposited to the owner’s bank account, the owner certifies that the tenant is still in the unit, the rent is reasonable, and s/he is in compliance with the contract.

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

#### **D. TERMINATION OF THE CONTRACT BY PHA**

The HAP contract terminates when the lease terminates, when the PHA terminates program assistance for the family, and when the owner has breached the HAP contract. (See “Owner Disapproval and Restriction” Chapter 16.)

The PHA may also terminate the contract if:

The PHA terminates assistance to the family;

The family is required to move from a unit when the subsidy is too big for the family size or the unit does not meet HQS space standards because of an increase in family size or a change in family composition;

Funding is no longer available under the ACC as stated in 24 CFR 982.454. The Pasadena Housing Program Office may terminate HAP contracts if it determines, in accordance with HUD requirements, that funding under the ACC is insufficient to support continued assistance for families in the program. The Pasadena Housing Program Office will consider the use of unspent HAP funds in its NRA account and will determine if any other actions can be taken to reduce program costs. If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, we will terminate HAP contracts as a last resort. Prior to terminating any HAP contracts, the Pasadena Housing Office will inform the local HUD Field Office and its financial analyst with HUD’s Financial Management Center (FMC).

The Pasadena Housing Program Office will terminate the minimum number needed in order to reduce HAP costs to levels within our annual budget authority. If the Pasadena Housing Program Office must terminate HAP Contracts due to insufficient funding, this will be done in accordance with the following criteria and instructions;

- Vouchers that have not been contracted yet (Searching);
- Non elderly/non-disabled families receiving the least amount of subsidy assistance;
- Non elderly/non-disabled single member families;
- Non elderly/non-disabled families with program longevity;
- Non-elderly/non-disabled families receiving the highest amount of subsidy.

Families terminated to reduce HAP costs to levels within our annual budget authority will be placed at the top of the waiting list. These families will be admitted once a voucher becomes available and all eligibility criteria are met.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

#### **Notice of Termination**

When the PHA terminates the HAP contract under violation of HQS standards, the PHA will provide the owner and family written notice of termination of the contract, and the HAP contract terminates at the end of the calendar month that follows the calendar month in which the PHA gives such notice to the owner.

#### **E. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS**

Families who were participants on June 19, 1995, but are ineligible for continued assistance due to the ineligible immigration status of all members of the family, or because a "mixed" family chooses not to accept proration of assistance.

#### **F. TERMINATION DUE TO OWNER DISAPPROVAL**

If the PHA terminates the contract due to owner disapproval (See Chapter 9, "Request for Lease Approval and Contract Execution"), the PHA will provide the owner and family with at least thirty days written notice of termination of the contract.

## Chapter 15

### DENIAL OR TERMINATION OF ASSISTANCE

#### INTRODUCTION

The PHA may deny or terminate assistance for a family because of the family's action or failure to act. The PHA will provide families with a written description of the Family Obligations under the program, the grounds under which the PHA can deny or terminate assistance, and the PHA's informal hearing procedures. This Chapter describes when the PHA is required to deny or terminate assistance, and the PHA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

#### A. GROUNDS FOR DENIAL/TERMINATION

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

#### Form of Denial/Termination

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

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

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

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

#### Mandatory Denial and Termination

The PHA must deny assistance to applicants, and terminate assistance for participants:

If any member of the family fails to sign and submit HUD or PHA required consent forms for obtaining information.

If no member of the family is a U.S. citizen or eligible immigrant. (See Section D)

If the family is under contract and 180 days have elapsed since the PHA's last housing assistance payment was made. (See Contract Terminations Chapter 14.)

If the family is evicted from housing assisted under the program for serious violation of the lease.

**The PHA must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamines on the premises of federally assisted housing.**

**The PHA must deny admission for ten years if any member of the family has been evicted from federally assisted housing for serious violation of the lease.**

**The PHA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.**

**The PHA must deny admission to the program for an applicant or terminate program assistance for a participant if any member fails to sign and submit consent forms for obtaining information in accordance with Part 5, subparts B and F.**

**The PHA must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status.**

#### **Grounds for Denial or Termination of Assistance**

**The PHA will deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:**

**The family violates any family obligation under the program.**

**Any member of the family has been evicted from federally assisted housing in the previous ten years.**

**A family member convicted of any felony or currently engaged in or has engaged in any criminal activity within ten years for felony criminal activity or five years for misdemeanor criminal activity of the full intake application date will be denied admission for at least ten years for felony criminal activity or five years for misdemeanor criminal activity from date of disposition. Assistance for current participants will be terminated with the right to request an informal hearing.**

**If any PHA has ever terminated assistance under the program for any member of the family.**

**If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal, state or local program.**

**The family currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.**

**The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent.**

**The family breaches an agreement with a PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA. The PHA at its discretion may offer the family the opportunity to enter into a repayment agreement. The PHA will prescribe the terms of the agreement. (See "Repayment Agreements" Chapter 17.)**

**The family has engaged in or threatened abusive or violent behavior toward PHA personnel.**

**"Abusive or violent behavior towards PHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, will be cause for termination or denial.**

**“Threatening” refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.**

**Actual physical abuse or violence will always be cause for termination.**

**Any member of the family whose drug or alcohol abuse interferes with the health, safety or peaceful enjoyment of other residents. Crime by Family Member (See B. One Strike Policy section below.)**

**If any member of the family commits drug-related criminal activity, or violent criminal activity. (See B. One Strike Policy section below.)**

**If any member is arrested or convicted of criminal activity as a sex offender.**

## **B. “ONE-STRIKE” POLICY**

### **PURPOSE**

**All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of the Pasadena Housing Office to fully endorse and implement a policy designed to:**

**Help create and maintain a safe and alcohol/drug-free community.**

**Keep our program participants free from threats to their personal and family safety.**

**Support parental efforts to instill values of personal responsibility and hard work.**

**Help maintain an environment where children can live safely, learn and grow up to be productive citizens.**

**Assist families in their vocational/educational goals in the pursuit of self-sufficiency.**

### **Administration**

**All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, sex, or other legally protected groups.**

### **Screening of Applicants**

**In an effort to prevent future drug/alcohol related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety, or right to peaceful enjoyment of the premises by other residents, and as required by the Notice 96-27, the PHA will endeavor to screen applicants as thoroughly and fairly as possible for drug/alcohol related and any imperfect criminal background record.**

**Such screening will apply to any member of the household who is 18 years of age or older.**

### **HUD Definitions**

***Drug-related criminal activity* is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance. Drug-related criminal activity means *on or near the premises*.**

***Violent criminal activity*** includes any criminal activity that has one of these elements: use, attempted use, or threatened use of physical force or property, and the activity is being engaged in by any family member.

### **STANDARD FOR VIOLATION**

The PHA will deny participation in the program to applicants and terminate assistance to participants in cases where the PHA determines there is reasonable cause to believe that the person is illegally using a controlled substance or if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where the PHA determines that there is a pattern of illegal use of a controlled substance or pattern of alcohol abuse.

The PHA will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous twelve months.

“Engaged in or engaging in” violent criminal activity means any act within the previous ten years for felony criminal activity and five years for misdemeanor criminal activity by applicants or participants, household members, or guests which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person of another, which resulted in the conviction, deferred adjudication, or probation of the applicant, participant, household members, or guests.

The activity is being engaged in by any family member; referenced activity may occur on or off the leased premises.

The existence of the above-referenced behavior by any household member or guest, regardless of the applicant or participant’s knowledge of the behavior, shall be grounds for denial or termination of assistance.

In evaluating evidence of negative past behavior, the PHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents.

The PHA will check criminal history for all adults in the household at initial intake and at least annually for current participants to determine whether any member of the family has violated any of the prohibited behaviors as referenced.

Any household member currently engaged in, or has engaged in any criminal activities within ten years for felony criminal activity and five years for misdemeanor criminal activity of the full intake application or reexamination date will be denied admission or terminate assistance.

Criminal Activities is described as drug-related criminal activity, violent-criminal activity, or any other criminal activity that may threaten the health, safety or right to peaceful enjoyment of other residents.

***Evidence of such criminal activity includes, but is not limited to the following:***

- ***Any conviction, deferred adjudication and/or probation for any drug-related criminal activity, violent criminal activity, or any other criminal activity within ten years for felony criminal activity and five years for misdemeanor criminal activity of the full intake/reexamination application date;***
- ***Any record of eviction from public or privately –owned housing as a result of criminal activity within ten years of the date of full intake/reexamination application date.***

The PHA will not consider juvenile adjudications that do not qualify as convictions under state law as evidence of criminal activity.

If the applicant's or participant's past criminal activity was the consequence of acts of domestic violence, dating violence, or stalking against him or her, the PHA will not deny or terminate assistance.

Any family/household member who has been convicted of murder, manslaughter, homicide or attempted murder and has since been paroled will not be eligible for assistance for 20 years from date of court disposition with no further infractions on criminal background check.

The PHA reserves the right to deny admission or terminate assistance in regard to any imperfect criminal background check, misdemeanor or felony.

A family will be denied admission or terminate assistance if any member of the household is subject to a lifetime registration requirement under a State sex-offender registration program. (Mandatory bar under federal statute.) Any convicted sex-offender (with or without the lifetime requirement) will be denied admission or terminate assistance into the program.

#### **DRUG/ALCOHOL-RELATED AND VIOLENT CRIMINAL ACTIVITY**

**Ineligibility if Evicted for Drug-Related Activity:** Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the Section 8 program for a ten-year period beginning on the date of such eviction.

Applicants will be denied assistance if they have been:

Convicted or evicted from a unit under the Housing Act of 1937 for violent criminal activity within the last ten years for felony criminal activity and five years for misdemeanor criminal activity prior to the date of the certification interview.

Participants will be terminated who have been:

Convicted or evicted from a unit assisted under the Housing Act of 1937 for drug/alcohol-related or violent criminal activity within the last ten years for felony criminal activity and five years for misdemeanor criminal activity prior to the date of the notice to terminate assistance.

If the family violates the lease by engaging in drug/alcohol-related or violent criminal activity, the PHA will terminate assistance.

#### **DENIAL OF ASSISTANCE FOR SEX OFFENDERS**

The PHA will deny admission if any member of the household is a sex offender. In screening applicants, the PHA will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement.

#### **TERMINATION OF ASSISTANCE FOR PARTICIPANTS**

If the PHA determines that any household member is engaging in or has engaged in drug-related criminal activity while participating in the Section 8 program, the PHA will terminate assistance.

If the family violates the lease by engaging in drug/alcohol-related or any other criminal activity, the PHA will terminate assistance.

**The PHA will terminate assistance for a family if the PHA determines that a member of the household is fleeing to avoid prosecution, custody or confinement after conviction.**

**The PHA will terminate assistance for a family if the PHA determines that a member of the household is violating a condition of probation or parole imposed under Federal or State law.**

#### **NOTICE OF TERMINATION OF ASSISTANCE**

**In any case where the PHA decides to terminate assistance to the family, the PHA must give the family written notice which states:**

**The reason(s) for the proposed termination,**

**The effective date of the proposed termination,**

**The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance,**

**The date by which a request for an informal hearing must be received by the PHA.**

**The PHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.**

#### **REQUIRED EVIDENCE**

***Preponderance of evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.**

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

**The PHA will pursue fact-finding efforts as needed to obtain credible evidence.**

**The PHA may terminate assistance for criminal activity by a household member under this section if the PHA has determined that the household member has engaged in the criminal activity.**

#### **CONFIDENTIALITY OF CRIMINAL RECORDS**

**The PHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.**

**Misuse of the above information by any employee will be grounds for termination of employment.**

**If the family is determined eligible for initial or continued assistance, the criminal report shall be shredded as soon as the information is no longer needed for eligibility or continued assistance determination.**

**The PHA will document in the family's file the circumstances of the criminal report and the date the report was destroyed.**

### **C. FAMILY OBLIGATIONS**

The family must supply any information that the PHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status, "Information" includes any requested certification, release or other documentation.

The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.

All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family as described in 982.404(b).

The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice.

The family may not commit any serious or repeated violation of the lease.

The family must notify the owner and, at the same time, notify the PHA before the family moves out of the unit or terminates the lease on notice to the owner.

The family must promptly give the PHA a copy of any owner eviction notice.

The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The composition of the assisted family residing in the unit must be approved by the PHA.

The family must promptly inform the PHA of the birth, adoption or court-awarded custody of a child.

The family must request PHA approval to add any other family member as an occupant of the unit.

The family must promptly notify the PHA if any family member no longer resides in the unit.

If the PHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or PHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.

Members of the household may engage in legal profit-making activities in the unit if allowed by the landlord, but only if such activities are incidental to primary use of the unit as a residence by members of the family and the income is reported to the PHA.

The family must not sublease or let the unit.

The family must not assign the lease or transfer the unit.

The family must supply any information or certification requested by the PHA to verify that the family is living in the unit, or relating to family absence from the unit, including any PHA requested information or certification on the purposes of family absences. The family must cooperate with the PHA for this purpose. The family must promptly notify the PHA of absence from the unit.

**The family must not own or have any interest in the unit.**

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

**The household members may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. Any drug-related or violent criminal activity whether on or off the premises may be grounds for termination of assistance. (See PHA One Strike Policy).**

**The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. (See One Strike Policy).**

**An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative federal, State or local housing assistance program.**

#### **Housing Office Discretion**

**In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the PHA has discretion to consider all of the circumstances in each case, including the seriousness of the case. The PHA will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The PHA may also review the family's more recent history and record of compliance and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.**

#### **Explanations and Terms**

**The term "Promptly" when used with the Family Obligations always means "within ten days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.**

#### **HQS Breach:**

**The inspector will determine if an HQS breach as identified in 24 CFR 982.404(b) is the responsibility of the family.**

#### **Lease Violations:**

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

**If the owner terminates tenancy through court action for serious or repeated violation of the lease;**

**If the owner notifies the family of termination of assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the PHA determines that the cause is a serious or repeated violation of the lease based on available evidence.**

**If there are police reports, neighborhood complaints or other third party information, that has been verified by the PHA.**

## **NOTIFICATION OF EVICTION**

The family is required by the PHA to:

**Notify the PHA immediately of receipt of summons to appear in court for eviction,**

**Appear in court for eviction proceedings at the scheduled date and time, and**

**Notify the PHA immediately of the outcome of the case.**

**If the family did not notify the PHA of an eviction within ten days of receiving the Notice of Lease Termination, they will be terminated.**

## **PROPOSED ADDITIONS TO THE FAMILY**

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

**Persons requested to be added to voucher which will increase bedroom size.**

**Persons who have been evicted from public housing.**

**Persons who have previously violated a family obligation listed in the HUD regulations.**

**Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher program.**

**Persons who commit drug/alcohol-related criminal activity or any other criminal activity.**

**Persons who do not meet the PHA's definition of family.**

**Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal, state, or local program.**

**Persons who currently owe rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.**

**Persons who have engaged in or threatened verbally or by action abusive or violent behavior toward PHA personnel.**

## **FAMILY MEMBER MOVES OUT:**

**Families are required to notify the PHA if any family member leaves the assisted household. When the family notifies the PHA, they must furnish the following information:**

**The date the family member moved out.**

**The new address, and all documentation of the family member, including the lease with removal of family member.**

**A statement as to whether the family member is temporarily or permanently absent.**

**LIMITATION ON PROFIT-MAKING ACTIVITY IN UNIT:**

If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business that is not available for sleeping, it will be considered a violation.

If the PHA determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation.

If the PHA determines the business is not legal, it will be considered a program violation.

**INTEREST IN UNIT:**

The owner may not reside in the assisted unit regardless of whether she/he is a member of the assisted family, unless the family owns the mobile home and rents the pad.

**FRAUD:**

In each case, the PHA will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members.

In the event of false citizenship claims: (See section D below)

**D. PROCEDURES FOR NON-CITIZENS**

**Denial or Termination due to Ineligible Immigrant Status**

Applicant or participant families in which all members are neither U.S.Citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The PHA must offer the family an opportunity for a hearing. (See "Eligibility for Admissions" Chapter 2, section on Citizenship/Eligible Immigration Status).

**FALSE OR INCOMPLETE INFORMATION**

When the PHA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual will be given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the PHA will give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.

The PHA will then verify eligible status, deny, terminate, or prorate as applicable.

The PHA will deny or terminate assistance based on the submission of false information or misrepresentation.

**PROCEDURE FOR DENIAL OR TERMINATION**

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS.

After the PHA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

**E. ZERO (\$0) ASSISTANCE TENANCIES**

The family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If, within the 180 day timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the PHA will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

**F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION**

If the family has misrepresented any facts that caused the PHA to overpay assistance, the PHA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement, or reimburses the PHA in full.

**G. MISREPRESENTATION IN COLLUSION WITH OWNER**

If the family intentionally, willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the PHA will deny or terminate assistance.

**H. MISSED APPOINTMENTS AND DEADLINES**

It is a Family Obligation to supply information, documentation, and certification as needed for the PHA to fulfill its responsibilities. The PHA schedules appointments and sets deadlines in order to obtain the required information.

The Obligations also require that the family allow the PHA to inspect the unit and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the PHA will be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the PHA to inspect the unit.

The family will be given information about the requirement to keep appointments, and the number of times appointments will be rescheduled as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances.

1. Eligibility for Admissions
2. Verification Procedures
3. Voucher Issuance and Briefings
4. Housing Quality Standards and Inspections

**5. Recertifications**

**6. Appeals**

**Acceptable reasons for missing appointments or failing to provide information by deadlines are:**

**Medical emergency with proper written documentation**

**Family emergency with proper written documentation**

**Procedure when Appointments are Missed or Information not Provided**

**For most purposes in this Plan, the family will be given two opportunities before being issued a notice of termination or denial for breach of a family obligation unless otherwise specified in the plan.**

## Chapter 16

### OWNER DISAPPROVAL AND RESTRICTION

#### INTRODUCTION

It is the policy of the PHA to recruit owners to participate in the Voucher program. The PHA will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the PHA. The regulations define when the PHA must disallow an owner participation in the program, and they provide the PHA discretion to disapprove or otherwise restrict the participation of owners in certain categories. This Chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

#### A. DISAPPROVAL OF OWNER

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The PHA will disapprove the owner for the following reasons:

HUD or other agency directly related has informed the PHA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

HUD has informed the PHA that the federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending.

HUD has informed the PHA that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements.

Unless their lease was effective prior to June 17, 1998, the owner or other interested party may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

In cases where the owner and tenant bear the same last name, the PHA may, at its discretion, require the family and/or owner to certify whether they are related to each other in any way.

The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.

The owner has engaged in drug/alcohol-related criminal activity or any violent criminal activity.

The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program.

The owner has a history or practice of renting units that fail to meet State or local housing codes.

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:

Threatens the right to peaceful enjoyment of the premises by other residents;

Threatens the health or safety of other residents, of employees of the PHA or employee's of landlord engaged in the management of the housing.

Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or

Is engaged in drug/alcohol-related criminal activity or violent criminal activity;

The owner has not paid State or local real estate taxes, fines or assessments.

The owner has failed to comply with regulations, the mortgage or note, or the regulator agreement for projects with mortgages insured by HUD or liens made by HUD.

#### **B. OWNER RESTRICTIONS AND PENALTIES**

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the PHA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The PHA may also terminate some or all contracts with the owner.

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

If an owner owes delinquent State, County, or Local taxes, the PHA may permit owner participation, provided the owner furnishes proof of acceptable payment arrangements with the appropriate taxing entity.

#### **C. CHANGE IN OWNERSHIP**

A change in ownership does not require execution of a new contract and lease.

The PHA may approve the assignment, since they are a party to the contract at the old owner's request. The PHA may approve the assignment, since they are a party to the contract. The PHA may deny approval of assignment of the contract, for any of the reasons listed in Section A. of this chapter.

The PHA will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title, recorded deed and the Employee Identification Number or Social Security Number of the new owner and completed W-9 form and mandatory direct deposit form and State Valid Picture ID.

If a new owner does not want an assignment of the contract, the PHA will terminate the HAP contract with the old owner, since they are no longer the owner. The new owner may offer the family a new assisted lease. The family may elect to enter into the new lease or move to another unit.

## CHAPTER 17

### OWNER OR FAMILY DEBTS TO THE PHA

#### INTRODUCTION

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

When families or owners owe money to the PHA, the PHA will make every effort to collect it. The PHA will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Repayment agreements
- Abatements
- Reductions
- Collection agencies
- Credit bureaus
- Income tax set-off programs

#### General Overview of Overpayments

Overpayments (OVPs) result when the PHA has overpaid to a landlord or owner an amount of rent for a Housing participant that if the participant had reported certain information to the PHA would not have been paid by the PHA. These overpayments result for a variety of reasons which include, but are not limited to, the following: Families under-reporting income, neglecting to report or misrepresenting new or changes in increased or family circumstances, failing to report or add household members with income to their housing documents, failing to report decreases in childcare expenses or medical expenses, failing to report when families members counted as dependents leave the household, etc.

Overpayments may affect during the processing of or be applied at any stage of a person's application or participation in the Housing Program.

- An applicant who was a previous participant on the Pasadena Program and left owing an overpayment will not be eligible for participation again until the overpayment has been paid in full.
- If an applicant was a participant on another PHA's program and left that PHA owing money, they will only be considered for participation on the Pasadena program after debt has been paid in full and verified by the previous PHA.
- A participant is not eligible for portability until the OVP is paid in full.
- Any overpayment of \$100 or less is not eligible for the 1/3 down and repayment agreement option. It must be paid in full within the 30 day timeframe.

## **A. REPAYMENT AGREEMENT FOR FAMILIES**

**A Repayment Agreement as used in this Plan is a document entered into between the PHA and a person who owes a debt to the PHA. The repayment agreement refers to a formal written document signed by the tenant or owner and provided to the PHA in which the tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due specific time periods. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of repayment, any special provisions of the agreement, and the remedies available to the PHA upon default of the agreement.**

**In accordance to HUD Notice PIH 2017-12, it is recommended that the total amount that a family must pay each month, the family's monthly share of rent plus the monthly debt repayment amount should not exceed 40 percent of the family's monthly adjusted income. However, a family may already be paying 40 percent or more of its monthly adjusted income in rent. Moreover, HUD Notice PIH 2017-12 acknowledges that PHAs have the discretion to establish "thresholds and policies" for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].**

**The PHA will prescribe the terms of the repayment agreement, including determining whether to enter into a repayment agreement with the family based on the circumstances surrounding the debt to the PHA.**

**The maximum length of time the PHA will enter into a repayment agreement with a family is one year. An extension may be granted for extenuating circumstances, but the tenant would not be allowed to move during that time period.**

**An initial down payment is required before monthly payment amounts can be determined. The down payment shall be an amount equal to 1/3 of the total debt. The remaining debt shall be divided by the number of months remaining before the next annual recertification date. An exception to the annual recertification date may be made if the overpayment is discovered during the annual re-exam process and the family is remaining in the same unit for another year.**

### **Late Payments**

**A payment will be considered to be in arrears if:**

**The payment is not received by the close of the business day 30 days after the due date.**

**If the family's repayment agreement is in arrears, the PHA may:**

**Require the family to pay the balance in full**

**Terminate the Housing Assistance**

**Grant an extension of 30 days**

**If the family requests a move to another unit and is in arrears on a repayment agreement for the payment of an owner claim: The family will be required to pay the balance in full, or be terminated from the program.**

## Guidelines for Repayment Agreements

Repayment Agreements will be executed between the PHA and the head of household and spouse.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Housing Supervisor.

No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the Repayment Agreement is current:

Family size exceeds the HQS maximum occupancy standards

The HAP contract is terminated due to owner non-compliance or opt-out.

A natural disaster.

**Additional Monies Owed:** If the family has a Repayment Agreement in place and incurs an additional debt to the PHA:

The PHA will not enter into more than one Repayment Agreement at a time with the same family.

If the family incurs an additional debt they will have 30 days to pay the additional debt in full, if debt is not paid in 30 days Housing Assistance will be terminated.

## Repayment Agreements Involving Improper Payments:

HUD Notice PIH 2017-12 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act.
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner.
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases.
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance.

## B. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

### Family Error/Late Reporting

Families who owe money to the PHA due to the family's failure to report increases in income will be required to repay in accordance with the Repayment Procedures for Program Fraud (see below).

## **Program Fraud**

Families who owe money to the PHA due to program fraud will be required to repay the amount in full by a specified due date. An Overpayment Letter is sent to the family, specifying the amount due and the date by which settlement must be made. If the full amount is paid within this time period, and the family is still eligible, the PHA may continue assistance to the family.

If a family owes an amount that equals or exceeds \$2,500.00 as a result of program fraud, the case will be referred to Inspector General. Where appropriate, the PHA will refer the case for criminal prosecution.

## **Repayment Procedures for Program Fraud**

Families who commit program fraud or untimely reporting of increases in income will be subject to the following procedures:

The maximum time period for a Repayment Agreement will be 12 months unless otherwise approved by the PHA.

The family will be required to pre-pay 1/3 of the amount owed prior to or upon execution of the Repayment Agreement.

The amount of the monthly payment may be determined in accordance with the family's current income.

## **C. DEBTS DUE TO MINIMUM RENT TEMPORARY HARDSHIP**

If the family owes the PHA money for rent arrears incurred during the minimum rent period, the PHA will calculate the total amount owed and divide it by 12 to arrive at a reasonable payback amount that the family will be required to pay the PHA monthly in addition to the family's regular monthly rent payment to the owner. The family will be required to pay the increased amount until the arrears are paid in full to the PHA.

The minimum monthly amount for a payment agreement incurred for minimum rent arrears is \$25.00.

If the family goes into default on the payment agreement for back rent incurred during a minimum rent period, the PHA will re-evaluate the family's financial situation and determine whether the family has the ability to pay the increased rent amount and if not, restructure the existing payment agreement.

## **D. GUIDELINES FOR REPAYMENT AGREEMENTS**

Repayments agreements will be executed between the PHA and the head of household/spouse/co-head only. Families will be given a counsel session in writing to ensure the program rules are not continuously violated with regard to the repayment agreements. If a family has previously entered into two repayment agreements for violation of unreported income and incurs additional overpayments for unreported income the family obligations will be enforced and assistance will be terminated.

Payments may only be made by money order or cashier's check. No other form of payment will be accepted

The agreement will be in default when a payment is delinquent by 30 days. The family's assistance will be terminated unless the PHA receives the balance of the payment agreement in full within 30 days of the termination notice or prior approved arrangements have been made with the PHA.

No move will be approved until the debt is paid in full unless the move is the result of the following causes, and the payment agreement is current:

Family size exceeds the HQS maximum occupancy standards  
The HAP contract is terminated due to owner non-compliance or opt-out  
A natural disaster

**Additional Monies Owed:** If the family already has a repayment agreement in place and incurs an additional debt to the PHA:

The PHA will not enter into more than one repayment agreement with the family at a time.

If a repayment agreement is in arrears more than 30 days, all debts must be paid in full.

#### **E. OWNER DEBTS TO THE PHA**

If the PHA determines that the owner has retained Housing Assistance or Claim Payments the owner is not entitled to, the PHA may reclaim the amounts from future Housing Assistance or Claim Payments owed the owner for any units under contract.

If future Housing Assistance or Claim Payments are insufficient to reclaim the amounts owed, the PHA will:

Require the owner to pay the amount in full within 30 days.

Pursue collections through the local court system.

Restrict the owner from future participation.

## Chapter 18

### COMPLAINTS AND APPEALS

#### INTRODUCTION

The informal hearing requirements defined in HUD regulations are applicable to participating families who disagree with an action, decision, or inaction of the PHA. This Chapter describes the policies, procedures and standards to be used when families disagree with a PHA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the PHA to ensure that all families have the benefit of all protections due to them under the law.

#### A. COMPLAINTS TO THE PHA

The PHA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The PHA does require that all complaints be put in writing.

##### Categories of Complaints

**Complaints from families:** If a family disagrees with an action or inaction of the PHA or owner, or if a family claims harassment from the PHA or owner or owner's agent.

**Complaints from Owners:** If an owner disagrees with an action or inaction of the PHA or a family, or if an owner claims harassment from the PHA or family.

**Complaints from staff:** If a staff person reports an owner or family either violating or not complying with program rules, or if a staff person claims harassment from an owner or family.

**Complaints from the general public:** Complaints or referrals from persons in the community in regard to the PHA, a family or an owner.

All complaints will be referred to the Housing Administrator.

#### B. PREFERENCE DENIALS

When the PHA denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with PHA staff to discuss the reasons for the denial and to dispute the PHA's decision.

The person who conducts the meeting will be:

Any officer or manager of the PHA, which may include the person who made the decision.

#### C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

Reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract. The exception is that when an applicant is denied assistance for citizen or eligible immigrant status, the applicant is entitled to an informal review.

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

The reason(s) they are ineligible.

**The procedure for requesting a review if the applicant does not agree with the decision and**

**The time limit for requesting a review.**

**When denying admission for criminal activity by a household member, the PHA will include in the notice a statement that the applicant may request a copy of the criminal record her HUD requirement, however due to Texas State Law Chapter 411, Subchapter F of the Texas Government Code, the City of Pasadena Housing Program will be prohibited from providing a copy of this criminal record upon which the decision to deny was based. Applicants will be directed to the Texas Department of Public Safety where they may access this information themselves in accordance with Texas State Law.**

**The PHA must provide applicants with the opportunity for an Informal Review of decisions denying:**

**Listing on the PHA's waiting list**

**Issuance of a Voucher**

**Participation in the program**

**Assistance under portability procedures**

**Informal Reviews are not required for established policies and procedures and PHA determinations such as:**

**Discretionary administrative determinations by the PHA.**

**General policy issues or class grievances.**

**A determination of the family unit size under the PHA subsidy standards.**

**Refusal to extend or suspend a Voucher.**

**A PHA determination not to grant approval of the tenancy**

**Determination that unit is not in compliance with HQS.**

**Determination that unit is not in accordance with HQS due to family size or composition.**

### **Procedure for Review**

**A request for an Informal Review must be received in writing by the close of the business day, no later than ten (10) calendar days from the date of the PHA's notification of denial of assistance. The informal review will be scheduled fifteen (15) calendar days from the date the request was received from the applicant with a notice mailed specifying the date and time of the Informal Review. An Informal Review may be conducted in person, virtually or by telephone conference.**

**The Informal Review may be conducted by any officer or employee of the PHA including the person who made the decision.**

**The applicant will be given the option of presenting oral or written objections to the decision. Both the PHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.**

**A Notice of the Review findings will be provided in writing to the applicant within fifteen (15) calendar days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.**

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

#### **D. INFORMAL HEARING PROCEDURES**

When the PHA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The PHA will give the family prompt notice of such determination which will include:

The proposed action or decision of the PHA;

The date the proposed action or decision will take place;

The family's right to an explanation of the basis for the PHA's decision;

The procedures for requesting hearing if the family disputes the action or decision;

The time limit for requesting the hearing;

To whom the hearing request should be addressed.

A copy of the PHA's hearing procedures

The PHA must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following PHA determinations:

Determination of the family's annual or adjusted income and the computation of the housing assistance payment

Appropriate utility allowance used from schedule

Family unit size determination under PHA subsidy standards

Determination to terminate assistance for any reason. ,

For termination of assistance for criminal activity, the PHA will include in the notice a statement that the participant may request a copy of the criminal record per HUD requirement, however due to Texas State Law Chapter 411, Subchapter F of the Texas Government Code, the City of Pasadena Housing Program will be prohibited from providing a copy of this criminal record upon which the decision to terminate assistance was based. Participants will be directed to the Texas Department of Public Safety where they may access this information themselves.

Determinations to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account.

The PHA must always provide the opportunity for an informal hearing before termination of assistance.

Informal Hearings are not required for established policies and procedures and PHA determinations such as:

Discretionary administrative determinations by the PHA

General policy issues or class grievances

**Establishment of the PHA schedule of utility allowances for families in the program**

**A PHA determination not to approve an extension or suspension of a voucher term**

**A PHA determination not to approve a unit or lease**

**A PHA determination that an assisted unit is not in compliance with HQS (PHA must provide hearing for family breach of HQS because that is a family obligation determination)**

**A PHA determination that the unit is not in accordance with HQS because of the family size**

**A PHA determination to exercise any right or remedy against the owner under a HAP contract**

### **Notification of Hearing**

**It is the PHA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the PHA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.**

**A request for an Informal Hearing must be received in writing by the close of the business day, no later than ten (10) calendar days from the date of the PHA's notification of termination of assistance. The informal hearing will be scheduled fifteen (15) days from the date the request was received from the participant , with a notice mailed specifying the date and time of the Informal Hearing.**

**The notification of hearing will contain:**

**The date and time of the hearing.**

**The location where the hearing will be held. A hearing may be held in person, Virtually or by telephone conference.**

**The family's right to bring evidence, witnesses, legal or other representation at the family's expense.**

**The right to view any documents or evidence in the possession of the PHA upon which the PHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. Requests for such documents or evidence must be received no later than ten (10) calendar days before the hearing date.**

**A Notice to the family that the family must furnish to PHA a copy of any documents or evidence the family will use at the hearing. Such documents or evidence must be received no later than 24 hours before the hearing date.**

### **The PHA's Hearing Procedures**

**After a hearing date is scheduled, the family may request to reschedule only upon showing "good cause", which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.**

**The PHA will reschedule the hearing only once if the family can show good cause for the failure to appear. If you fail to appear on the rescheduled appointment you will be terminated.**

**Families have the right to:**

**Present written or oral objections to the PHA's determination.**

**Examine the documents in the file which are the basis for the PHA's action, and all documents submitted to the Hearing Officer;**

**Copy any relevant documents at their expense;**

**Present any information or witnesses pertinent to the issue of the hearing;**

**Request that PHA staff be available or present at the hearing to answer questions pertinent to the case; and**

**Be represented by legal counsel, advocate, or other designated representative at their own expense.**

**If a family requests copies of documents relevant to the hearing, the PHA will make the copies for the family and may assess a charge of \$.25 per copy. In no case will the family be allowed to remove the file from the PHA's office.**

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

**Present evidence and any information pertinent to the issue of the hearing;**

**Be notified if the family intends to be represented by legal counsel, advocate, or another party;**

**Examine and copy any documents to be used by the family prior to the hearing;**

**Have its attorney present; and**

**Have staff persons and other witnesses familiar with the case present.**

**The Informal Hearing process for the Pasadena Housing Office shall be a two-step process and includes:**

**(1) A review of the request or complaint by the Housing Administrator;**

**(2) An appeal for an informal hearing to the Director of Planning;**

**The Informal Hearing shall be conducted by the Hearing Officer appointed by the PHA who is neither the person who made or approved the decision, nor a subordinate of that person. The PHA appoints hearing officers who are:**

**PHA management**

**Managers from other departments in the government of the jurisdiction.**

**Professional mediators or arbitrators employed by the County Bar Association, a mediation, dispute resolution, or arbitration service.**

**The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.**

**No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" include records and regulations.**

The Hearing Officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the PHA shall take effect and another hearing will not be granted.

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

A notice of the Hearing Findings shall be provided in writing, to the PHA and the family, within 15 calendar days and shall include:

A clear summary of the decision and reasons for the decision;

If the decision involves money owed, the amount owed; and

The date the decision goes into effect.

The PHA is not bound by hearing decisions that:

Concern matters in which the PHA is not required to provide an opportunity for a hearing;

Conflict with or contradict HUD regulations or requirements;

Conflict with or contradict Federal, State or local laws; or

Exceeds the authority of the person conducting the hearing.

The PHA shall send a letter to the participant if it determines the PHA is not bound by the Hearing Officer's determination within 15 calendar days. The letter shall include the PHA's reasons for the decision.

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

#### **E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"**

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

Assistance to a family may not be terminated or denied while the PHA hearing is pending but assistance to an applicant may be delayed pending the PHA hearing.

#### **INS Determination of Ineligibility**

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the PHA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the PHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the PHA a copy of the appeal and proof of mailing or the PHA may proceed to deny or terminate. The time period to request an appeal may be extended by the PHA for good cause.

The request for a PHA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the PHA will:

Deny the applicant family

Defer termination if the family is a participant and qualifies for deferral

Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the PHA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

#### **F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES**

When applicants are denied placement on the waiting list, or the PHA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

Examples of mitigating circumstances are:

A person with a cognitive disorder may not have understood the requirement to report increases in income.

A person may not understand the need to make regular payments on a repayment agreement.

Minor criminal records for public intoxication may be due to medication; prior incarcerations for being disorderly may be emotional disorder.

## PROGRAM INTEGRITY ADDENDUM-2022

### INTRODUCTION

The U.S. Department of HUD conservatively estimates that 600 million dollars is paid annually to program participants who falsify or omit material facts in order to gain more rental assistance than they are entitled to under the law. HUD further estimates that 12% of all HUD-assisted families are either totally ineligible, or are receiving benefits which exceed their legal entitlement.

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

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

#### A. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will the PHA undertake an inquiry or an audit of a participating family arbitrarily. The PHA's expectation is that participating families will comply with HUD requirements, provisions of the voucher, and other program rules. The PHA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the PHA has a responsibility to HUD, the Community, and eligible families in need of housing assistance to monitor participants and owners for compliance and, when indicators of possible abuse come to the PHA's attention, to investigate such claims.

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

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

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

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

#### B. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

The PHA management and staff will utilize various methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

**THINGS YOU SHOULD KNOW (HUD-1140-OIG).** This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants at their initial Housing briefing to promote understanding of program rules, and to clarify the PHA's expectations for cooperation and compliance.

**PROGRAM ORIENTATION SESSION.** Mandatory briefing orientation session will be conducted by the PHA staff for all prospective program participants prior to issuance of a voucher. At the conclusion of the session, the family representative will be required to sign a "Certification of Briefing" to confirm that all rules and pertinent regulations were explained to them.

**RESIDENT COUNSELING.** The PHA will routinely provide participant counseling as a part of every certification interview in order to clarify any confusion pertaining to program rules and requirements.

**REVIEW AND EXPLANATION OF FORMS.** Staff will explain all required forms and review the contents of all (re)certification documents during (re)certification interviews.

**USE OF INSTRUCTIVE SIGNS AND WARNINGS.** Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

**APPLICANT/TENANT CERTIFICATION.** All adult household members will be required to sign an "Applicant/Tenant Certification" form initially, and again at each annual recertification.

### **C. STEPS THE PHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD**

The PHA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

**Quality Control File Reviews.** Prior to initial certification, and at each subsequent recertification, the participant's file will be reviewed by the case manager. Such review shall include, but is not limited to:

- Verification of all income and deductions
- Changes in reported Social Security Numbers or dates of birth
- Authenticity of file documents
- Ratio between reported income and expenditures
- Consistency of signatures with previously signed file documents
- Dates and signatures on all documents

**Observation.** The PHA Management and Occupancy Staff (to include inspection personnel) will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income. Observations will be documented in the family's file.

PHA reserves the right to inspect any participants unit at any time without prior notice regarding allegations of program abuse.

Public Record Bulletins may be reviewed by Management and Staff.

**State Wage Data Record Keepers.** Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits.

**Credit Bureau Inquiries.** Credit bureau inquiries may be made in the following circumstances:

**At the time of final eligibility determination**

**When an allegation is received by the PHA wherein unreported income sources are disclosed**

**When a participant's expenditures exceed his/her reported income and no plausible explanation is given**

#### **D. THE PHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD**

The PHA staff will encourage all participating families to report abuse to the Housing Office. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented, investigated and placed in the participant's file. All allegations, complaints, and tips will be carefully evaluated to determine if they warrant follow-up. The case manager will not follow-up on allegations which are vague or otherwise non-specific. They will only review allegations which contain one or more independently verifiable facts.

##### **1. File Review.** An internal file review will be conducted to determine:

**If the subject of the allegation is a client of the PHA and, if so, to determine whether or not the information reported has been previously disclosed by the family.**

**It will then be determined if the PHA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.**

##### **2. Conclusion of Preliminary Review.** If at the conclusion of the preliminary file review, there are facts contained in the allegation which conflict with file data, and that are independently verifiable, the case manager will initiate an investigation to determine if the allegation is true or false.

#### **E. OVERPAYMENTS TO OWNERS**

**If a landlord has been overpaid as a result of fraud, misrepresentation, or violation of the HAP contract, the PHA may terminate the contract and arrange for restitution to the PHA and/or family as appropriate.**

#### **F. HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD.**

**If the PHA determines that an allegation or referral warrants investigation, a person designated by the administrator to monitor program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. When necessary, the PHA will secure the written authorization from the program participant for the release of information.**

**Credit Bureau Inquiries. In cases involving previously unreported income sources, a credit bureau inquiry may be made to determine whether the financial activity of a family conflicts with the family's reported income.**

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

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

**Landlords.** Landlords may be contacted to verify household composition in investigations of possible unauthorized household members.

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

**Other Agencies.** Investigators, case workers or representatives of other benefit agencies may be contacted.

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

**Inspections with Landlords/Family.** The PHA will do an inspection of the unit with landlord to determine if the participant is in compliance. A high standard of courtesy and professionalism will be maintained by the PHA staff person who conducts such inspections. Under no circumstances will inflammatory language, accusations, or any unprofessional conduct or language be tolerated by the management. If appropriate, an additional staff person will attend such inspections.

**G. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE PHA.** Documents and other evidence obtained by the PHA during the course of an investigation will be considered "work product" and will either be kept in the participant's file or in a separate "work file". In either case, the participant's file or work file shall be kept confidential, and will not be discussed among PHA Staff unless they are involved in the process, or have information which may assist in the investigation.

**H. CONCLUSION OF THE PHA'S INVESTIGATIVE REVIEW.** At the conclusion of the investigative review, the reviewer will report the findings to the administrator. It will then be determined whether the facts are inconclusive and, if so, whether a violation has or has not occurred.

**I. EVALUATION OF THE FINDINGS.** If it is determined that a program violation has occurred, the PHA will review the facts to determine:

What type of violation has occurred (procedural, non-compliance, or fraud)

Whether the violation was intentional or unintentional

What amount of money (if any) is owed by the family

Whether the family is eligible for continued assistance

**J. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED.** Once a program violation has been documented, the PHA will propose the most appropriate remedy based upon the type and severity of the violation.

1. **Procedural Noncompliance.** This category applies when the family "fails to" observe a procedure or requirement of the PHA but does not misrepresent a material fact, and there is no retroactive

assistance payments owed by the family.

**Examples of non-compliance violations are:**

**Failure to appear at a pre-scheduled appointment**

**PI-4**

**Failure to return verification in time period specified by the PHA**

**(a) Warning Notice To The Family.** In such cases a notice containing the following will be sent to the family:

**A description of the non-compliance and the procedure, policy, or obligation that was violated**

**The date by which the violation must be corrected or the procedure complied with**

**The action that will be taken by the PHA if the procedure or obligation is not complied with by the date specified by the PHA**

**The consequences of repeated (similar) violations.**

**2. Procedural Noncompliance – Overpaid Assistance.** When the family owes money to the PHA for failure to report changes in income or assets, the PHA will issue a notice of overpayment of assistance. This notice will contain the following:

**A description of the violation and the date(s)**

**The amount owed to the PHA**

**The number of days within which a response must be received**

**Acknowledgment of the family's right to disagree and to request an informal hearing along with instructions for requesting such a hearing**

**(a) Participant Fails to Comply with PHA's Notice.** If the participant fails to comply with the PHA's notice and a family obligation has been violated, the PHA will initiate termination of assistance.

**(b) Participant Complies with PHA's Notice.** When a family complies with the PHA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule that was violated. The staff person will complete a participant counseling report, give one copy to the family and retain a copy in the family's file.

**3. Intentional Misrepresentations.** When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the PHA, the PHA will evaluate whether or not:

**The participant had knowledge that his/her actions were wrong**

**The participant willfully violated the family obligations or the law**

**Knowledge.** This will be evaluated by determining whether the participant was made aware of program requirements and prohibitions. The participant's signature on various certifications, briefing certificate, and the personal declaration are adequate to establish knowledge of wrongdoing.

**Willful Intent.** Any of the following circumstances will be considered adequate to demonstrate willful intent:

- (a) **An admission by the participant of the misrepresentation**
  - (b) **Repetition of the misrepresentation**
  - (c) **Use of a false name or Social Security number**
  - (d) **Admissions of the illegal action or omission by the participant to others**
  - (e) **Omission of material facts known to the participant (e.g., employment of the participant or other household member)**
  - (f) **Falsification, forgery or altering of documents**
- PI-5
- (g) **Uttering and certifying to statements at an interim (re)determination that are later independently verified to be false**

**4. Dispositions of Cases Involving misrepresentations.** In all cases of misrepresentations involving efforts to recover monies owed, the PHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

- (a) **Criminal Prosecution.** If the PHA has established criminal intent and the case meets the criteria for prosecution, the PHA will:
  - Refer the case to the local state or district attorney, notify HUD's Office of Inspector General (OIG) for investigation and terminate rental assistance.**
- (b) **Administrative Remedies.** The PHA will:
  - Terminate assistance and demand payment of restitution in full, or**
  - Terminate assistance and execute an administrative repayment agreement in accordance with the PHA's Repayment Policy, or**
  - Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the PHA's repayment policy, or**
  - Terminate assistance and pursue restitution through civil litigation**

**5. The Case Conference for Serious Violations and Misrepresentations.** When the PHA has established that material misrepresentation(s) have occurred, a case conference may be scheduled with the family representative and the PHA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by the PHA. The purpose of such conference is to review the information and evidence obtained by the PHA with the participant, and to provide the participant an opportunity to explain any document findings which conflict with representations in the family's file. Any documents or mitigating circumstances presented by the family will be taken into consideration by the PHA. The family will be given ten (10) days to furnish any mitigating evidence.

A secondary purpose of the Participant Conference is to assist the PHA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the PHA will consider:

- The duration of the violation**
- The number of false statements**
- The family's ability to understand the rules**
- The family's willingness to cooperate and accept responsibility for the family's actions**
- The amount of money involved**

The family's history

The presence or absence of criminal intent

6. **Notification to Participant of Proposed Action.** The PHA will notify the family in writing of the proposed action no later than 30 days after the case conference.

PI-6

**K. CONFLICT OF INTEREST POLICY.** The City of Pasadena Housing Program staff will follow the City of Pasadena Conflict of Interest Policy located in *Chapter 9.05* of the *City of Pasadena Employee Handbook* provided to staff upon start of employment. The Conflict of Interest Policy states, *"No employee shall transact any business on behalf of the City in his official capacity with any business entity of which he is an officer, agent or member, or in which he owns a substantial interest. When a business entity seeks a business arrangement with the City, any employee who is an officer or employee of that business shall make known his interest in the enterprise. All business dealings with that company shall be turned over to his superior and the employee shall have nothing further to do with the matter involved."*

## GLOSSARY-2022

### **A. ACRONYMS USED IN SUBSIDIZED HOUSING**

<b>AAF</b>	Annual adjustment factor (published by HUD in the Federal Register and used to compute annual rent adjustments)
<b>ACC</b>	Annual contributions contract
<b>ADA</b>	Americans with Disabilities Act of 1990
<b>BR</b>	Bedroom
<b>CDBG</b>	Community Development Block Grant (Program)
<b>CFR</b>	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as “the regulations”)
<b>CPI</b>	Consumer price index (published monthly by the Department of Labor as an inflation indicator)
<b>FDIC</b>	Federal Deposit Insurance Corporation
<b>FHA</b>	Federal Housing Administration
<b>FICA</b>	Federal Insurance Contributions Act (established Social Security taxes)
<b>FMR</b>	Fair market rent
<b>FR</b>	Federal Register
<b>FSS</b>	Family Self-Sufficiency (Program)
<b>FY</b>	Fiscal year
<b>FYE</b>	Fiscal year end
<b>GAO</b>	Government Accountability Office
<b>GR</b>	Gross rent
<b>HAP</b>	Housing assistance payment
<b>HCV</b>	Housing choice voucher
<b>HQS</b>	Housing quality standards.
<b>HUD</b>	Department of Housing and Urban Development
<b>HUDCLIPS</b>	HUD Client Information and Policy System
<b>IG</b>	(HUD Office of) Inspector General
<b>IPA</b>	Independent public accountant
<b>IRA</b>	Individual Retirement Account
<b>IRS</b>	Internal Revenue Service
<b>JTPA</b>	Job Training Partnership Act
<b>LBP</b>	Lead-based paint
<b>MSA</b>	Metropolitan statistical area (established by the U.S. Census Bureau)

<b>MTCS</b>	Multi-family Tenant Characteristics System (now the Form HUD-50058 submodule of the PIC system)
<b>NOFA</b>	Notice of funding availability
<b>OMB</b>	Office of Management and Budget
<b>PASS</b>	Plan for Achieving Self-Support
<b>PHA</b>	Public housing agency
<b>PHRA</b>	Public Housing Reform Act of 1998 (also known as the Quality Housing and Work Responsibility Act)
<b>PIC</b>	PIH Information Center
<b>PIH</b>	(HUD Office of) Public and Indian Housing
<b>PS</b>	Payment standard
<b>QC</b>	Quality control
<b>QHWRA</b>	Quality Housing and Work Responsibility Act of 1998 (also known as the Public Housing Reform Act)
<b>REAC</b>	(HUD) Real Estate Assessment Center
<b>RFP</b>	Request for proposals
<b>RFTA</b>	Request for tenancy approval
<b>RIGI</b>	Regional inspector general for investigation (handles fraud and program abuse matters for HUD at the regional office level)
<b>SEMAP</b>	Section 8 Management Assessment Program
<b>SRO</b>	Single room occupancy
<b>SSA</b>	Social Security Administration
<b>SSI</b>	Supplemental security income
<b>TANF</b>	Temporary assistance for needy families
<b>TR</b>	Tenant rent
<b>TTP</b>	Total tenant payment
<b>UA</b>	Utility allowance
<b>URP</b>	Utility reimbursement payment
<b>VAWA</b>	Violence Against Women Reauthorization Act of 2005

## **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 individuals with physical handicaps.
- Adjusted Income.*** Annual income, less allowable HUD deductions.
- Adjusted Annual Income.*** Same as Adjusted Income.
- Administrative fee.*** Fee paid by HUD to the PHA for administration of the program. See §982.152.
- Administrative fee reserve*** (formerly “operating reserve”). Account established by PHA from excess administrative fee income. The administrative fee reserve must be used for housing purposes. See §982.155. Administrative fee reserves from FY 2004 and 2005 funding are further restricted to activities related to the provision of tenant-based rental assistance authorized under Section 8.
- 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.
- 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 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 §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.
- Budget authority.*** An amount authorized and appropriated by the Congress for payment to HAs 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.

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

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

**Computer match.** The automated comparison of data bases 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 §982.606 to §982.609.

**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.** (See Housing Assistance Payments Contract.)

**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 §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.

**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, (including co-head) spouse, or sole member is a person with a disability. A disabled family is one whose head (including co-head), spouse or sole member is a person with a disability.

**Disabled person.** See Person with Disabilities.

**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.** As defined in 42 U.S.C. 1437f(f)(5).

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

**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 §5.603(c).

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

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

**Eligible Family (Family).** A family that is income eligible and meets the other requirements of the Act and Part 5 of 24 CFR.

**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 to evidence citizenship or eligible immigration status. (See §5.508(b).)

**Extremely Low Income Family.** A family whose annual income does not exceed the higher of 30 percent of the area median income or the federal poverty level.

**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** means 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:**

- (1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person or;
- (2) A group of persons residing together and such group includes, but is not limited to :
  - (i) A family with or without children (a child who is temporarily away from home because of placement in foster care is considered a member of the family)
  - (ii) An elderly family;
  - (iii) A near-elderly family
  - (iv) A Disabled family;
  - (v) A displaced family; and
  - (vi) The remaining member of the family.

**Gender Identity** means actual or perceived gender-related characteristics. **Sexual orientation** means homosexuality, heterosexuality or bisexuality.

**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 §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.** 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). (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.

**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 §982.610 to §982.614.

**Handicap.** Any condition or characteristic that renders a person an individual with handicaps. See 24CFR 8.3.

**Handicap Assistance Expense.** See “Disability Assistance Expense.”

**HAP contract.** Housing assistance payments contract. (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.

**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).** A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing. (“PHA” and “HA” mean the same thing.)

**Housing Quality Standards.** The HUD minimum quality standards for housing assisted under the voucher program.

**HUD.** The Department of Housing and Urban Development.

**Immediate family member.** A spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in the position or place of a parent; or any other person living in the household of that person and related to that person by blood and marriage.

**Imputed Asset.** Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

**Imputed Income.** HUD passbook rate multiplied by the total cash value of assets. Calculation 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.** Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment.

**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.

**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.

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

**Low Income Family.** A family whose income does not exceed 80% 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% 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 §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 §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% of annual income.

**Merger Date.** October 1, 1999.

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

**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.

**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).

**Persons With Disabilities.** A person who has a disability as defined in 42 U.S.C. 423 or a developmental disability as defined in 42 U.S.C. 6001. Also includes a person who is determined, under HUD regulations, to have a physical or mental impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions. For purposes of reasonable accommodation and program accessibility for persons with disabilities, means and "individual with handicaps" as defined in 24 CFR 8.3. Definition does not exclude persons who have AIDS or conditions arising from AIDS, but does not include a person whose disability is based solely on drug or alcohol dependence (for low-income housing eligibility purposes). See "Individual with handicaps"

**Portability.** Renting a dwelling unit with 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.

**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 Section 8 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.

**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.

**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 Tenant Family.** Person left in assisted housing who may or may not normally qualify for assistance on 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 (“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 certificate 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** is the collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in §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.

**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 §982.615 to §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 §982.602 to §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.** Stopping the clock on the term of a family's voucher after the family submits a request for approval of the tenancy. If the PHA decides to allow extensions or suspensions of the voucher term, the PHA administrative plan must describe how the PHA determines whether to grant extensions or suspensions, and how the PHA determines the length of any extension or suspension. This practice is also called "tolling".

**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.

**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.

**Vacancy Loss Payments.** (*Applies only to pre-10/2/95 HAP Contracts in the Rental Certificate Program*). When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the contract rent for a vacancy period of up to one additional month, (beyond the month in which the vacancy occurred) if s/he notifies the PHA as soon as s/he learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

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

**Veteran.** A veteran is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.

**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 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.

**Welfare-to-work (WTW) family.** A family assisted by a PHA with Voucher funding awarded to the PHA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose).

## Security Policy 2022

### 1. Purpose

The purpose of this policy is to provide instruction and information to staff, consultants, contractors and tenants on the acceptable use, disposition and storage of data obtained through any EIV (Enterprise Income Verification) system.

This policy will also provide notice for access for dispute of data received from the various EIV systems employed by the Pasadena Housing Office (PHA), disputes regarding the data will be resolved in accordance with the PHA's Grievance policy and procedures.

The data provided via any EIV system will be protected to ensure that it is only used for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. Privacy of data and data security for computer systems are covered by a variety of Federal laws and regulations, government bulletins, and other guiding documents. The Privacy Act of 1974 as amended, 5 U.S.C 552(a) is one such regulation.

Each housing coordinator or other designated staff will assure that a copy of Form HUD-9886, Authorization for the Release of Information/Privacy Act Notice, has been signed by each member of the household age 18 years old or older or by a parent or legal guardian for verifications provided to the agency for a minor. All HUD-9886's will be placed in each tenant file and will be updated at least on an annual basis or as needed for each tenant or minor in the household. By signing this form, the tenant authorizes HUD and the PHA to obtain and verify income and unemployment compensation information from various sources including current and former employers, State agencies, The Work Source, The Work Number, Credit Bureau reports, the Social Security Administration, or any other entities that may be identified in the future.

## **2. Safeguarding EIV Data**

The information processed by any EIV system can include wage and income data about private individuals, as well as identifying information such as Social Security number, address and employment information.

The PHA's Security Officer, each caseworker or other designated staff will have the responsibility of ensuring compliance with the PHA security policies and procedures outlined in this document. These responsibilities include:

- 1. Maintaining and enforcing the security procedures;**
- 2. Keeping records and monitoring security issues;**
- 3. Communicating security information and requirements to appropriate personnel, including coordinating and conducting security awareness training sessions;**
- 4. Conducting a quarterly review of all User ID's issued to determine if the users still have a valid need to access the EIV data and taking the necessary steps to ensure that access rights are revoked or modified as appropriate; and**
- 5. Reporting any evidence of unauthorized access or known security breaches to the Housing Administrator and Executive Director and taking immediate action to address the impact of the breach including but not limited to prompt notification to appropriate authorities including the HUD Field Office's Public Housing Director.**

## **3. Limiting Access to EIV Data**

The PHA will restrict access to EIV data only to persons whose duties or responsibilities require access. The PHA will maintain a record of users who have approved access to EIV data. Further, the PHA will revoke the access rights of those users who no longer require such access or modify the access rights if a change in the user's duties or responsibilities indicates a change in the current level of privilege.

EIV data will be handled in such a manner that it does not become misplaced or available to unauthorized personnel. Files containing EIV information will be labeled clearly with the following statement "Confidential" or "For Official Use Only."

#### **4. Physical Security Requirements**

**The PHA may use a combination of methods to provide physical security for tenant file records. These include, but are not limited to, locked containers of various types, locked rooms that have reinforced perimeters, or metal file cabinets within a locked room. Access to the areas where EIV is maintained will be limited even during regular work hours. This may be accomplished by the use of restricted areas, a security room, or locked office space. By controlling the movement of individuals and eliminating unnecessary traffic through these critical areas, the PHA will reduce the opportunity for unauthorized disclosure of EIV data.**

**If EIV data is maintained in a security room or locked space, designated staff will establish and maintain a key control log to track the inventory of keys available, the number of keys issued and to whom the keys are issued. All employees and contractors who have been issued keys to security rooms or locked spaces will complete a form acknowledging the receipt of or placement of a key.**

**The PHA Security Officer or Housing Administrator will establish and maintain the list of users who can access the restricted area. The list will indicate the type of access that the user may have to the restricted area and will indicate which users must be escorted when entering the restricted area. The restricted area must be cleaned only during regular office hours or in the presence of an employee with authorized access. Tenant record files will never be left out in the open with access to individuals without permission. Tenant record files will not be left on desks at lunch or other times except when being updated by the responsible party.**

#### **5. Computer System Security Requirements**

**All computer systems and computers will have password-restricted access. The authority will also use antivirus software to limit data destruction or unintended transmission via viruses, worms, Trojan horses or other malicious means. The Information Technology Services (IT) staff will be responsible for maintaining and updating the firewall and antivirus software as well as applying any security patches for the operating and other computer systems.**

**For EIV data that is saved to a local machine at the PHA office, the EIV data will be stored in a separate directory from other data maintained by the PHA. Access to this directory will be restricted to authorized users of the EIV data. Backups of tenant data will be recorded on magnetic media with other data such as a tape, diskette, optical drive, DVD and/or CD ROM and will be stored in a protected location.**

**All Information Technology Service (IT) personnel have signed a confidentiality statement regarding access and utilization of information contained or maintained on computer systems within the City of Pasadena Housing Division.**

**Users will retrieve computer printouts as soon as they are generated so that EIV data is not left lying unattended in printers where unauthorized users may access them.**

**Authorized users of EIV data are directed to avoid leaving EIV data displayed on their computer screens where unauthorized users may view it. Disabling the password-protected screensaver will be grounds for dismissal. A computer will never be left unattended with EIV data displayed on the screen. If an authorized user is viewing EIV data and an unauthorized user approaches the work area, the authorized user will lessen the chance of inadvertent disclosure of EIV data by minimizing or closing out the screen on which the EIV data is being displayed.**

**User Accounts: User accounts for the EIV system will be provided on a need-to-know basis, with appropriate approval and authorization. The level of access granted determines the functionalities, features, and amounts of data within a specified PHA that the user can see. The PHA Access Form will be used to request additions, deletions, or modifications of user accounts with access rights to the PIC system.**

**All employees and contractors who access the EIV system will have a current signed User Agreement on file.**

**Users will maintain the security of their User Accounts by not disclosing their passwords to other staff members and not sharing user accounts with other employees or contractors. Users will not, deliberately or inadvertently, override the authorized access levels by providing EIV data to others who have limited or no access to the data. At no time will any EIV system be accessed to provide information that does not relate**

to a tenant. Violators will be subject to severe consequences which may include termination.

## **6. Disposal of EIV Information**

EIV data will be destroyed as soon as it has served its purpose. All EIV originals and any documents created in association with their use will be shredded after appropriate data storage has expired. To make reconstruction more difficult, all EIV data will be shredded.

## **7. Security Awareness Training**

Users and potential users will be made aware of the importance of respecting the privacy of data, following established procedures to maintain privacy and security, and notifying management in the event of a security or privacy violation.

Before granting employees and contractors access to EIV information, each employee and contractor must be trained in EIV security policies and procedures. Additionally, all employees having access to EIV data will complete online security awareness training annually as required by HUD. The PHA Security Officer, Housing Administrator or other designated staff will record on a PHA form or record of security training all the users.

On completion of security awareness training the PHA will make sure that employees or contractors who access the EIV data have completed a PHA User Agreement or PHA Contractor Agreement indicating that they are aware of the safeguards and responsibilities associated with using the system. PHA employees will be advised of the penalties associated with the provisions of the Privacy Act of 1974, Section 552(a), which makes unauthorized disclosure or misuse of tenant wage data a crime punishable by a fine of up to \$5,000. (See Section 1.3 Privacy Act Considerations and Appendix 2, Criminal Penalties associated with the Privacy Act).

## **8. Passwords**

Passwords will be required to have a minimum of 6 and a maximum of 8 characters and numbers.

**It will be required that the EIV access code granted to an employee or authorized user will be revoked prior to termination of that employee or user to ensure data safety.**

**The PHA Security Officer or Housing Administrator will have the authority to revoke the access code of any employee of the agency prior to termination.**

### **9. Record Keeping and Reporting Requirements**

**The PHA will keep a master log of all users in a secure location that is only accessible by the PHA Security Officer, Housing Administrator, or other designated staff. All changes to user access will be maintained in these logs. Inactive participant and applicant record files will be kept on file for up to five years from the date of termination or denial of assistance or removal from waiting list.**

### **10. Reporting Improper Disclosures**

**Recognition, reporting, and disciplinary action in response to security violations are crucial to successfully maintaining the security and privacy of the EIV system. These security violations may include the disclosure of private data as well as attempts to access unauthorized data and the sharing of User ID's and passwords. Upon the discovery of a possible improper disclosure of EIV information or another security violation by PHA employee or any other person, the individual making the observation or receiving the information will contact the PHA's Security Officer, the Housing Administrator, and/or Field Office's Office of Public Housing Director. The PHA Security Officer, Housing Administrator, or designated staff will document all improper disclosures in writing providing details including who was involved, what was disclosed, how the disclosure occurred, and where and when it occurred.**

## **11. Criminal History Record Information (CHRI) Proper Access, Use and Dissemination Procedures**

### **Purpose**

The intent of the following policies is to ensure the protection of the Criminal Justice Information (CJI) and its subset of Criminal History Record Information (CHRI) until such time as the information is purged or destroyed in accordance with applicable record retention rules.

The following policies were developed using the FBI's Criminal Justice Information Services (CJIS) Security Policy. The *City of Pasadena Housing Department* may complement this policy with a local policy; however, the CJIS Security Policy shall always be the minimum standard. The local policy may augment, or increase the standards, but shall not detract from the CJIS Security Policy standards.

### **Scope**

The scope of this policy applies to any electronic or physical media containing FBI CJI while being stored, accessed or physically moved from a secure location from the *City of Pasadena Housing Department*. In addition, this policy applies to any authorized person who accesses, stores, and/or transports electronic or physical media.

### **Criminal Justice Information (CJI) and Criminal History Record Information (CHRI)**

CJI is the term used to refer to all of the FBI CJIS provided data necessary for law enforcement and civil agencies to perform their missions including, but not limited to biometric, identity history, biographic, property, and case/incident history data.

CHRI, is a subset of CJI and for the purposes of this document is considered interchangeable. Due to its comparatively sensitive nature, additional controls are required for the access, use and dissemination of CHRI. In addition to the dissemination restrictions outlined below, Title 28, Part 20, Code of Federal Regulations (CFR), defines CHRI and provides the regulatory guidance for dissemination of CHRI.

### **Proper Access, Use, and Dissemination of CHRI**

Information obtained from the Interstate Identification Index (III) is considered CHRI. Rules governing the access, use, and dissemination of CHRI are found in Title 28, Part 20, CFR. The III shall be accessed only for an authorized purpose. Further, CHRI shall only be used for an authorized purpose consistent with the purpose for which III was accessed. Dissemination to another agency is authorized if (a) the other agency is an Authorized Recipient of such information and is being serviced by the accessing agency, or (b) the other agency is performing noncriminal justice administrative functions on behalf of the authorized recipient and the outsourcing of said functions has been approved by appropriate CJIS Systems Agency (CSA) or State Identification Bureau (SIB) officials with applicable agreements in place.

### **Personnel Security Screening**

Access to CJI and/or CHRI is restricted to authorized personnel. Authorized personnel is defined as an individual, or group of individuals, who have been appropriately vetted through a national fingerprint-based record check and have been granted access to CJI data. Agencies located within states having passed legislation authorizing or requiring civil fingerprint-based background checks for personnel with access to

CHRI for the purposes of licensing or employment shall submit fingerprint-based record check within 30 days of employment or assignment on all personnel with who have direct access to CJI, those who have direct responsibility to configure and maintain computer systems and networks with direct access to CJI, and any persons with access to physically secure locations or controlled areas containing CJI. Agencies located within states without this authorization or requirement are exempted from the fingerprint-based background check requirement until such time as appropriate legislation has been written into law.

### **Security Awareness Training**

Basic security awareness training shall be required within six months of initial assignment, and biennially thereafter, for all personnel who have access to CJI.

### **Physical Security**

A physically secure location is a facility or an area, a room, or a group of rooms within a facility with both the physical and personnel security controls sufficient to protect the FBI CJI and associated information systems. The perimeter of the physically secure location shall be prominently posted and separated from non-secure locations by physical controls.

Only authorized personnel will have access to physically secure non-public locations. The *City of Pasadena Housing Department* will maintain and keep current a list of authorized personnel. All physical access points into the agency's secure areas will be authorized before granting access. The agency will implement access controls and monitoring of physically secure areas for protecting all transmission and display mediums of CJI. Authorized personnel will take necessary steps to prevent and protect the agency from physical, logical and electronic breaches.

### **Media Protection**

Controls shall be in place to protect electronic and physical media containing CJI while at rest, stored, or actively being accessed. "Electronic media" includes memory devices in laptops and computers (hard drives) and any removable, transportable digital memory media, such as magnetic tape or disk, backup medium, optical disk, flash drives, external hard drives, or digital memory card. "Physical media" includes printed documents and imagery that contain CJI.

The agency shall securely store electronic and physical media within physically secure locations or controlled areas. The agency shall restrict access to electronic and physical media to authorized individuals. If physical and personnel restrictions are not feasible then the data shall be encrypted per Section 5.10.1.2.

### **Media Transport**

Controls shall be in place to protect electronic and physical media containing CJI while in transport (physically moved from one location to another) to prevent inadvertent or inappropriate disclosure and use. The agency shall protect and control electronic and physical media during transport outside of controlled areas and restrict the activities associated with transport of such media to authorized personnel.

## Media Sanitization and Disposal

When no longer usable, hard drives, diskettes, tape cartridges, CDs, ribbons, hard copies, print-outs, and other similar items used to process, store and/or transmit FBI CJI shall be properly disposed of in accordance with measures established by *City of Pasadena Housing Department*.

Physical media (print-outs and other physical media) shall be disposed of by:

- 1) shredding using *City of Pasadena Housing Department* issued shredders. Shredding will take place by Housing Coordinator assigned and witnessed by Housing Supervisor.

Electronic media (hard-drives, tape cartridge, CDs, printer ribbons, flash drives, printer and copier Hard-drives, etc.) shall be disposed of by one of the *City of Pasadena Housing Department* methods:

- 1) **Overwriting (at least 3 times)** - an effective method of clearing data from magnetic media. As the name implies, overwriting uses a program to write (1s, 0s, or a combination of both) onto the location of the media where the file to be sanitized is located.
- 2) **Degaussing** - a method to magnetically erase data from magnetic media. Two types of degaussing exist: strong magnets and electric degausses. Note that common magnets (e.g., those used to hang a picture on a wall) are fairly weak and cannot effectively degauss magnetic media.
- 3) **Destruction** – a method of destroying magnetic media. As the name implies, destruction of magnetic media is to physically dismantle by methods of crushing, disassembling, etc., ensuring that the platters have been physically destroyed so that no data can be pulled.

IT systems that have been used to process, store, or transmit FBI CJI and/or sensitive and classified information shall not be released from *City of Pasadena Housing Department's* control until the equipment has been sanitized and all stored information has been cleared using one of the above methods.

## Account Management

The agency shall manage information system accounts, including establishing, activating, modifying, reviewing, disabling, and removing accounts. The agency shall validate information system accounts at least annually and shall document the validation process.

All accounts shall be reviewed at least annually by the designated CJIS point of contact (POC) or his/her designee to ensure that access and account privileges commensurate with job functions, need-to-know, and employment status on systems that contain Criminal Justice Information. The POC may also conduct periodic reviews.

## Remote Access

The *City of Pasadena Housing Department* shall authorize, monitor, and control all methods of remote access to the information systems that can access, process, transmit, and/or store FBI CJI. Remote access is any temporary access to an agency's information system by a user (or an information system) communicating temporarily through an external, non-agency controlled network (e.g., the Internet).

The *City of Pasadena Housing Department* shall employ automated mechanisms to facilitate the monitoring and control of remote access methods. The *City of Pasadena Housing Department* shall control all remote accesses through managed access control points. The *City of Pasadena Housing Department* may permit

remote access for privileged functions only for compelling operational needs but shall document the rationale for such access in the security plan for the information system.

Utilizing publicly accessible computers to access, process, store or transmit CJI is prohibited. Publicly accessible computers include but are not limited to: hotel business center computers, convention center computers, public library computers, public kiosk computers, etc.

### **Personally Owned Information Systems**

A personally owned information system shall not be authorized to access, process, store or transmit CJI unless the agency has established and documented the specific terms and conditions for personally owned information system usage. A personal device includes any portable technology like camera, USB flash drives, USB thumb drives, DVDs, CDs, air cards and mobile wireless devices such as Androids, Blackberry OS, Apple iOS, Windows Mobile, Symbian, tablets, laptops or any personal desktop computer. When bring your own devices (BYOD) are authorized, they shall be controlled using the requirements in Section 5.13 of the CJIS Security Policy.

### **Reporting Information Security Events**

The agency shall promptly report incident information to appropriate authorities to include the state CSA or SIB's Information Security Officer (ISO). Information security events and weaknesses associated with information systems shall be communicated in a manner allowing timely corrective action to be taken. Formal event reporting and escalation procedures shall be in place. Wherever feasible, the agency shall employ automated mechanisms to assist in the reporting of security incidents. All employees, contractors and third party users shall be made aware of the procedures for reporting the different types of event and weakness that might have an impact on the security of agency assets and are required to report any information security events and weaknesses as quickly as possible to the designated point of contact.

### **Policy Violation/Misuse Notification**

Violation of any of the requirements contained in the CJIS Security Policy or Title 28, Part 20, CFR, by any authorized personnel will result in suitable disciplinary action, up to and including loss of access privileges, civil and criminal prosecution and/or termination.

Likewise, violation of any of the requirements contained in the CJIS Security Policy or Title 28, Part 20, CFR, by any visitor can result in similar disciplinary action against the sponsoring employee, and can also result in termination of services with any associated consulting organization or prosecution in the case of criminal activity.

## **Appendix 1.**

### **Safeguards Provided by the Privacy Act**

**The Privacy Act provides safeguards for individuals against invasions of privacy by requiring Federal agencies, except as otherwise provided by law or regulation, to:**

**Permit individuals to know what records pertaining to them are collected, maintained, used, or disseminated;**

**Allow individuals to prevent records pertaining to them, obtained for a particular purpose, from being used or made available for another purpose without their consent;**

**Permit individuals to gain access to information pertaining to them, obtain a copy of all or any portions thereof, and correct or amend such records;**

**Collect, maintain, use, or disseminate personally identifiable information in a manner that ensures the information is current and accurate, and that adequate safeguards are provided to prevent misuse of such information;**

**Permit exemption from the requirements of the Act only where an important public policy need exists as determined by specific statutory authority; and**

**Be subject to a civil suit for any damages that occur as a result of action that violates any individual's rights under this Act.**

**FSS Action Plan  
for the  
Family Self-Sufficiency Program**

City of Pasadena Housing Office

TX440

September 2022



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## Chapter 1

### THE FAMILY SELF-SUFFICIENCY PROGRAM AND THE FSS ACTION PLAN

#### INTRODUCTION

This chapter provides an overview of the Family Self-Sufficiency (FSS) program and FSS Action Plan, including the purpose, organization, and required contents of the FSS Action Plan.

Part I: The Family Self-Sufficiency (FSS) Program and FSS Action Plan: This part provides an overview of the Family Self-Sufficiency program and the purpose of the FSS Action Plan.

Part II: Requirements of the FSS Action Plan: This part covers Action Plan requirements, including development, revision, and contents of the Action Plan. It also contains information on family demographics, which is part of the required contents of the Action Plan.

#### PART I: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM AND FSS ACTION PLAN

##### 1-I.A. OVERVIEW OF THE FAMILY SELF-SUFFICIENCY PROGRAM

The origins of the FSS program are in two pilot projects implemented in 1986 and 1990, Project Self-Sufficiency and Operation Bootstrap, respectively. These projects were set up to test self-sufficiency programs for families with housing subsidies, and both demonstrated that families needed essential services to move toward economic self-sufficiency. These services include child care, transportation, medical care, and long-term education and training.

In the wake of the successful demonstration of these projects, Family Self-Sufficiency became one of the initiatives under the Homeownership and Housing Opportunities for People Everywhere (HOPE) program enacted in 1990, and the FSS program was subsequently created under the National Affordable Housing Act the same year.

FSS built upon and refined both Project Self-Sufficiency and the Bootstrap program. It remained a voluntary program in 1991 and 1992 but became mandatory in 1993 for any new increments of funding issued to PHAs. The 1993 regulations were further modified by the Quality Housing and Work Responsibility Act of 1998 (QHWRA). In 2018, expansive changes were made to the FSS program by the Economic Growth, Regulatory Relief, and Consumer Protection Act known as “the Economic Growth Act” or “the Act.”

The purpose of the FSS program is to coordinate housing assistance with public and private resources to enable assisted families to achieve economic self-sufficiency. The purpose and basic requirements of the FSS program are further elaborated upon in Chapter 2.

This Family Self-Sufficiency program is administered by the **City of Pasadena Housing Program** for the jurisdiction of **Pasadena, Texas / County of Harris**.

## **1-I.B. APPLICABLE REGULATIONS**

Applicable regulations for Section 8 and public housing FSS programs include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 902: Public Housing Assessment System
- 24 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 945: Designated Housing
- 24 CFR Part 960: Public Housing Admission and Occupancy Policies
- 24 CFR Part 965: PHA-Owned or Leased Projects—General Provisions
- 24 CFR Part 966: Public Housing Lease and Grievance Procedures
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 984: Section 8 and Public Housing Family Self-Sufficiency Program

## **1-I.C. THE FAMILY SELF-SUFFICIENCY ACTION PLAN**

The Family Self-Sufficiency (FSS) Action Plan is required by HUD. The purpose of the FSS Action Plan is to establish policies for conducting the Family Self-Sufficiency program in a manner consistent with HUD requirements and local goals and objectives contained in the PHA's Agency Plan. This FSS Action Plan is a supporting document to the PHA Administrative Plan and is available for public review as required by 24 CFR Part 903.

This Family Self-Sufficiency Action Plan is set forth to define the PHA's local policies for operation of the program in the context of federal laws and regulations. All issues related to FSS not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices, and other applicable laws. The policies in this FSS Action Plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

The PHA is responsible for complying with all changes in HUD regulations pertaining to the FSS program. If such changes conflict with this plan, HUD regulations will take precedence.

Administration of the FSS program and the functions and responsibilities of PHA staff shall comply with the PHA's personnel policy and HUD's family self-sufficiency regulations, as well as all Section 8 and public housing regulations, in addition to federal, state, and local fair housing laws and regulations.

## **PART II: REQUIREMENTS OF THE FSS ACTION PLAN**

### **1-II.A. OVERVIEW**

A PHA must have a HUD-approved Action Plan before implementing an FSS program, regardless of whether the FSS program is a mandatory or voluntary program. Further, this action plan must comply with the requirements specified for the plan in the regulations [24 CFR 984.201(a)].

The regulatory requirements dealing specifically with the FSS Action Plan itself largely involve the development, revision, and required contents of the Action Plan. This part covers those requirements.

### **1-II.B. HUD APPROACH TO POLICY DEVELOPMENT**

In developing policy for the FSS Action Plan, PHAs need to be aware of the distinction HUD makes between mandatory and discretionary policies.

- *Mandatory policies* are those driven by legislation, regulations, current handbooks, notices, and legal opinions.
- *Discretionary policies* consist of those developed for areas in which the PHA has regulatory discretion, or regarding optional, nonbinding guidance including guidebooks, notices that have expired, and recommendations from individual HUD staff.

HUD expects PHAs to develop policies and procedures that are consistent with mandatory regulations and to make clear the optional policies the PHA has adopted. The PHA's FSS Action Plan is the foundation of those policies and procedures for the FSS program. HUD's directions require PHAs to make policy choices that provide guidance to staff and consistency to program applicants and participants.

Following HUD guidance, even though it is not mandatory, provides a PHA with a "safe harbor." HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If a PHA adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than HUD's safe harbor, but PHAs should carefully consider those decisions.

## **1-II.C. FSS ACTION PLAN DEVELOPMENT AND REVISION**

### **Development of Action Plan [24 CFR 984.201(b) and (c)]**

When developing an FSS Action Plan, a PHA must do so in consultation with the chief executive officer of the applicable unit of general local government and the Program Coordinating Committee (PCC).

For all voluntary or mandatory FSS programs, the PHA must submit its Action Plan and obtain HUD approval of the plan before it can implement the FSS program. This includes a voluntary program established because the PHA chose to implement an FSS program that exceeds the minimum size for a mandatory program (see Section 2-II.A. for a discussion of mandatory versus voluntary FSS programs).

### **Single Action Plan [24 CFR 984.201(f)]**

The PHA is implementing a Section 8 FSS program only and will submit one Action Plan.

### **Revision to the FSS Action Plan [24 CFR 984.201(c)(2)]**

Following HUD's initial approval of the Action Plan, no further approval of the Action Plan is required unless the PHA proposes to make policy changes to the Action Plan, increase the size of a voluntary program, or revise the FSS Action Plan as needed to comply with changes in HUD regulations. The PHA must submit any changes to the Action Plan to HUD for approval.

#### **PHA Policy**

The PHA will review and update the Action Plan at least once a year, and more often if needed, to reflect changes in regulations, PHA operations, or when needed to ensure staff consistency in operation.

## **1-III.D. CONTENTS OF THE PLAN [24CFR 984.201(d)]**

HUD regulations state that there are several components that must be included in the FSS Action Plan. At a minimum, the Action Plan must cover the policies and procedures of the PHA for operation of a local FSS program as follows:

- Family demographics, including a description of the number, size, characteristics, and other demographics such as racial and ethnic data, in addition to the supportive service needs of the families expected to participate in the program. (Chapter 1)
- Estimate of participating families, which means the number of families which can reasonably be expected to receive supportive services under the FSS program. (Chapter 2)
- Eligible families from any other local self-sufficiency program who are expected to agree to executing an FSS contract of participation. (Chapter 2)
- A statement of the PHA's FSS family selection procedures, including a description of how the procedures ensure that families are selected without regard to race, color, religion, disability, sex, familial status, or national origin. (Chapter 4)
- A description of the incentives that the PHA intends to offer to families to encourage participation in the FSS program (an incentives plan), including the establishment of the escrow account. (Chapter 4)
- Outreach efforts, which include a description of the PHA's efforts to recruit eligible families, the actions the PHA will take to ensure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known. (Chapter 4)
- A description of the FSS activities and supportive services to be provided by both public and private resources to FSS families, and identification of these public and private resources. (Chapter 4)
- A description of the PHA's method for identifying family support needs, including how the PHA will identify the needs and deliver the services. (Chapter 4)
- A description of the PHA's policies regarding program termination or withholding of services based on a family's failure to comply with the FSS contract, and available grievance procedures. (Chapter 5)
- Assurances of noninterference with rights of non-participating families which state that a family's election to not participate in the FSS program will not affect the family's admission to the Section 8 or public housing program, nor will it affect their right to occupancy in accordance with its lease. (Chapter 4)
- A timetable for implementation of the FSS program, including the schedule for filling FSS slots with eligible FSS families. (Chapter 2)

- A certification that development of the services and activities under the FSS program has been coordinated with programs under Title I of the Workforce Innovation and Opportunity Act, other relevant employment, childcare, transportation, training, education, and financial empowerment programs in the area, and will continue to be coordinated to avoid duplication of services and activities.

**Optional Additional Information [24 CFR 984.201(d)(13)].**

- HUD encourages additional information in the Action Plan that would help to determine the soundness of the PHAs proposed FSS program.

PHA Policy

The PHA will submit additional optional information in this Action Plan that will help HUD determine the soundness of the proposed FSS program.

This information includes:

Policies related to the modification of goals in the ITSP. (Chapter 5)

Policies on the circumstances in which an extension of the contract of participation may be granted. (Chapter 5)

Policies on the interim disbursement of escrow, including any limitations on the use of the funds. (Chapter 6)

Policies regarding eligible uses of forfeited escrow funds by families in good standing. (Chapter 6)

Policies regarding the re-enrollment of previous FSS participants, including graduates and those who exited the program without graduating. (Chapter 4)

Policies on requirements for documentation for goal completion. (Chapter 4)

Policies on documentation of the household's designation of the "head of FSS family." (Chapter 4)

Policies for providing an FSS selection preference for porting families if the PHA elects to offer such a preference. (Chapter 7)

**1-II.E. FAMILY DEMOGRAPHICS [24 CFR 984.201(d)(1)]**

As part of the required contents of the FSS Action Plan, family demographics of the Section 8 participants serve to provide a description of the number, size, characteristics, and other descriptive data (including racial and ethnic data of those participants). These data may later be used to help the housing authority and the program coordinating committee (PCC) to identify supportive service needs of the families expected to participate in the FSS program.

PHA Policy

<b>Section 8 and Public Housing</b>	<b>Total Families</b>	<b>Percent of Total</b>
<b>All Families</b>	<b>941</b>	<b>100 %</b>
Single	418	90 %
Female HOH	851	90 %
Male HOH	90	10 %
<b>Race</b>		
White	500	53 %
Black/African American	438	47 %
American Indian/Alaska Native	1	0.1 %
Asian	0	0 %
Native Hawaiian/Other Pacific Islander	2	0.2 %
<b>Ethnicity</b>		
Hispanic or Latino	371	39 %
Not Hispanic or Latino	570	61 %
<b>Income</b>		
Extremely Low-Income	754	80 %
Very Low-Income	157	17 %
Low-Income	30	3 %
HOH Income from Wages	372	40 %
Other Member Income from Wages	62	7 %
HOH Income from TANF	6	0.6 %
Other Member Income from TANF	0	0 %
HOH Income from SSI	453	48 %
Other Member Income from SSI	152	16 %
<b>Number of Children</b>		
0	520	55 %
1-2	258	27 %
3-4	140	15 %
5 or more	23	3 %

<b>Total Number of Family Members</b>		
1-2	<b>600</b>	<b>64 %</b>
3-4	<b>261</b>	<b>28 %</b>
5 or more	<b>80</b>	<b>8 %</b>
<b>Persons with Disabilities</b>		
HOH Person w/ Disabilities (HUD)	<b>371</b>	<b>39 %</b>
Family Members w/ Disabilities	<b>116</b>	<b>12 %</b>

## Chapter 2

### PURPOSE, SCOPE, AND APPLICABILITY OF THE FAMILY SELF-SUFFICIENCY PROGRAM

#### INTRODUCTION

This chapter contains information about the FSS program's purpose, size, and measurable objectives as well as information on program operation. This includes potential participant demographics, the program timetable, the number of families to be served, and the size of the PHA's voluntary FSS program. This chapter also contains definitions of the key terms in this FSS Action Plan.

Part I: The Purpose and Basic Requirements of the FSS program: This part includes a description of the purpose of the FSS program on a national level—its intent, goal, and major strategies.

Part II: The Scope of the FSS program: This part contains information about housing assistance programs eligible to participate in FSS, the size of the PHA's FSS program, an estimate of participating families, eligible families from other self-sufficiency programs, and eligibility for combined FSS programs.

Part III: Program Operation: This part specifies the requirements for FSS program operation, including voluntary FSS program implementation.

Part IV: The Definitions of Terms Used in the PHA's FSS program: This section contains both HUD and PHA definitions for terms used in this policy document. PART I:  
PURPOSE AND BASIC REQUIREMENTS OF THE FSS PROGRAM

## **2-I.A. PURPOSE**

The purpose of the Family Self-Sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of Section 8 assistance program with public and private resources enabling families eligible to receive assistance under this program to achieve economic independence and self-sufficiency [984.101(a)(1)].

In addition to this broader national goal of the FSS program, the PHA also establishes a local goal consistent with the PHA's mission statement to serve as a guide for establishing policy and implementing the FSS program.

### PHA Policy

The PHA's goal in operating an FSS program is to match housing-assisted families with existing services so that they may achieve self-sufficiency defined as completion of the contract of participation

## **2-I.B. PROGRAM OBJECTIVES [24 CFR 984.102]**

In order to reach the FSS national program goal, HUD has defined its FSS program objective as to reduce the dependency of low-income families on welfare assistance and on housing subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance while living in assisted housing so that they may obtain the education, employment, business and social skills necessary to achieve self-sufficiency. As with the goals of the program, FSS program objectives are defined on the national level through FSS regulation, and on the local level by PHA policy.

### PHA Policy

On the local level, the PHA will achieve the national program objective by offering low-income families services, or referring low-income families to services that provide education, training, and other forms of support so that families may achieve self-sufficiency as defined in Section 2-I.A. of this document.

## **2-I.C. BASIC REQUIREMENTS OF THE FSS PROGRAM [24 CFR 984.104]**

An FSS program established under 24 CFR Part 984 must operate in conformity with the regulations and this FSS Action Plan (as required in 24 CFR 984.201, provide comprehensive supportive services as defined in 24 CFR 984.103, and operate in compliance with nondiscrimination and equal opportunity requirements.

## **PART II: SCOPE OF THE FSS PROGRAM**

### **2-II.A. HOUSING-ASSISTED FAMILIES ELIGIBLE TO PARTICIPATE IN FSS**

The Section 8 and public housing programs through which families are eligible to participate in the FSS program was expanded by the 2018 Economic Growth Act to allow participants in HCV Homeownership, Moderate Rehabilitation, Moderate Rehabilitation Single Room Occupancy, and Family Unification Program (FUP), including the Foster Youth to Independence (FYI) Initiative.

### **2-II.B. PHAs REQUIRED TO OPERATE AN FSS PROGRAM**

Each PHA that received funding for public housing units under the FY 1991 and FY 1992 FSS incentive award competitions must operate a public housing FSS program. Each PHA that received funding for Section 8 rental certificates or vouchers under the combined FY 1991/1992 FSS incentive award competition also must operate a Section 8 FSS program.

In addition, unless the PHA receives an exemption under 24 CFR 984.105, each PHA for which HUD reserved funding (budget authority) for additional rental certificates or vouchers in FY 1993 through October 20, 1998, must operate a Section 8 FSS program. Each PHA for which HUD reserved funding (budget authority) to acquire or construct additional public housing units in FY 1993 through October 20, 1998, must operate a public housing FSS program as well.

Every PHA that was required to administer an FSS program on May 24, 2018 (the enactment date of the Economic Growth, Regulatory Relief, and Consumer Protection Act) must continue to operate that FSS program for the total number of families determined by HUD on that date unless the PHA receives an exception as described in 24 CFR 984.105(d).

#### **Mandatory Minimum Program Size (MMPS) [24 CFR 984.105]**

PHAs that are required to operate an FSS program under 24 CFR 984.101 are subject to a minimum program size requirement.

##### PHA Minimum Program Size

As determined by HUD as of May 24, 2018, the PHA's FSS MMPS is **32**.

##### *Maintaining Mandatory Minimum Program Size*

Although the discretion to do so ultimately rests with the PHA, mandatory minimum program size can decrease as FSS participants successfully complete the program. Per the regulation, for each family that completes the program by fulfilling its FSS contract of participation on or after May 24, 2018, the mandatory minimum program size for a PHA's FSS program is reduced by one slot. However, if an FSS slot is vacated by a family that has not completed its FSS contract of participation obligations, the slot must be filled by a replacement family which has been selected in accordance with the FSS family selection procedures [24 CFR 984.105(b)(2)].

##### PHA Policy

The PHA will reduce the FSS mandatory minimum program size by one for each family that completes the program by fulfilling its FSS contract of participation.

### ***Option to Operate Larger FSS Program***

A PHA may choose to operate an FSS program of a larger size than the minimum required by HUD [24 CFR 984.105(a)(3)].

#### **PHA Policy**

The PHA will not operate an FSS program of a larger size than its mandatory minimum program size.

### ***Exception to Program Operation [24 CFR 984.105(c)]***

The requirement to establish and carry out an FSS program may be waived with approval from HUD. In order to waive the requirement, the PHA must provide a certification to HUD that the establishment and operation of an FSS program is not feasible because of a lack of accessible supportive services funding, a lack of the availability of programs under the Workforce Innovation and Opportunity Act, a lack of funding for reasonable administrative costs, a lack of cooperation by other units of state or local government, or a lack of interest in participating in the FSS program on the part of eligible families.

An exception will not be granted if HUD determines that local circumstances do not preclude the PHA from effectively operating an FSS program that is smaller than the minimum program size.

### ***Reduction in Program Size***

Rather than a full exception to program operation, a PHA may also be permitted to operate an FSS program that is smaller than the minimum program size. As with the full exception, HUD may grant the PHA such a partial exception if the PHA provides to HUD a certification that the operation of an FSS program of the minimum program size is not feasible because of a decrease in or lack of accessible supportive services [24 CFR 984.105(d)].

### ***Expiration of Exception***

The approval for a full or partial exception to the FSS minimum program size requirement expires five years from the date of HUD approval of the exception. If a PHA seeks to continue an exception after its expiration, the PHA must submit a new request and a new certification to HUD for consideration [24 CFR 984.105(e)].

### **2-II.C. COOPERATIVE AGREEMENTS [24 CFR 984.106]**

A PHA may enter into a Cooperative Agreement with one or more multifamily-assisted housing owners to voluntarily make the PHA's FSS program available to the owner's housing tenants. The Cooperative Agreement must include all the requirements for such agreements found in 24 CFR 984.106 and 24 CFR 887.107.

#### PHA Policy

The PHA will not enter into a Cooperative Agreement with multifamily-assisted housing owners to voluntarily make its FSS program available to those owner's housing residents.

### **2-II.D. ESTIMATE OF PARTICIPATING FAMILIES [24 CFR 984.201(d)(2)]**

The PHA must state the number of eligible FSS families who can reasonably be expected to receive supportive services under the FSS program based on available and anticipated federal, tribal, state, local, and private resources.

#### PHA Policy

**Five (5)** eligible FSS families can reasonably be expected to receive supportive services under the FSS program, based on available and anticipated federal, tribal, state, local, and private resources.

### **2-II.E. ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS [24 CFR 984.201(d)(3)]**

If applicable, the PHA must enter the number of families, by program type, who are participating in any other local housing self-sufficiency program who are expected to agree to execute an FSS contract of participation.

#### PHA Policy

The PHA does not operate other self-sufficiency programs and therefore no additional families from other programs are expected to execute an FSS contract of participation.

### **2-II.F. ELIGIBILITY OF A COMBINED PROGRAM [24 CFR 984.201(e)]**

A PHA that wishes to operate a joint FSS program with other PHAs or owners of multifamily-assisted housing may combine its resources with one or more of these entities to deliver supportive services under a joint Action Plan that will provide for the establishment and operation of a combined FSS program that meets the requirements of this part.

#### PHA Policy

The PHA will not combine its resources with any other PHA to deliver support services, have a joint Action Plan, or establish or operate a combined FSS Program.

## **PART III: PROGRAM OPERATION**

### **2-III.A. OVERVIEW**

Federal regulations specify requirements for FSS program operation regarding deadlines for program start-up and when the PHA is expected to have attained full enrollment. A timetable illustrating when the PHA intends to meet these deadlines is included as part of the required contents of the Action Plan.

### **2-III.B. PROGRAM IMPLEMENTATION DEADLINE**

The deadlines for program implementation differ depending on whether the FSS program is voluntary or mandatory.

#### **Voluntary Program [24 CFR 984.301(a)]**

There is no deadline for implementation of a voluntary program. However, a voluntary program may not be implemented before the requirements specified in 24 CFR 984.201 have been satisfied (see Sections 1-II.A.–1-II.D.).

### **2-III.C. TIMETABLE FOR PROGRAM IMPLEMENTATION [24 CFR 984.201(d)(13)]**

A timetable for implementation of the FSS program is part of the required contents of the FSS Action Plan.

The Pasadena Housing Program implemented its FSS Program in 1994 and will continue to implement it per this FSS Action Plan.

## PART IV: DEFINITIONS

### 2-IV.A. DEFINITIONS [24 CFR 984.103]

The terms *1937 Act*, *fair market rent*, *HUD*, *low-income family*, *public housing*, *public housing agency (PHA)*, *secretary*, and *Section 8*, as used in this document are defined in the 24 CFR Part 5.

The term *very low-income family* is defined in 24 CFR 813.102 and 24 CFR 913.102.

The terms used in this document have the following definitions as defined by 24 CFR 984.103 and this Family Self-Sufficiency Action Plan.

*Baseline annual earned income* means the FSS family's total annual earned income from wages and business income (if any) as of the effective date of the FSS contract. When calculating baseline annual earned income, all applicable exclusions of income must be applied, *except for* any disregarded earned income or other adjustments associated with self-sufficiency incentives that may apply to the determination of annual income.

*Baseline monthly rent* means 1) the FSS family's total tenant payment (TTP), as of the effective date of the FSS contract, for families paying an income-based rent as of the effective date of the FSS contract; or 2) the amount of the flat or ceiling rent (which includes the applicable utility allowance), and including any hardship discounts, as of the effective date of the FSS contract. For families paying a flat or ceiling rent this is as of the effective date of the FSS contract.

#### PHA Policy

*Benefits* means a government benefit of money or monetary value given to an individual by a federal, state, or local government agency for purposes of financial assistance, including but not limited to, Medicaid, supplemental nutritional assistance program benefits and Social Security, Temporary Assistance for Needy Families, and unemployment compensation benefits.

#### PHA Policy

*Benefits cliff* means the sudden and often unexpected decrease in public benefits that can occur with a small increase in earnings. When income increases, families sometimes lose some or all economic supports.

#### PHA Policy

*Certain interim goals* means the family has met all its obligations under the CoP to date, including completion of the ITSP interim goals and tasks to date.

*Certification* means a written assertion based on supporting evidence, provided by the FSS family or the PHA or owner, which must be maintained by the PHA or owner in the case of the family's certification, or by HUD in the case of the PHA's or owner's certification. These must be made available for inspection by HUD, the PHA or owner, and the public, when appropriate. In addition, these will be considered accurate unless the Secretary or the PHA or owner, as applicable, determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

*Chief executive officer (CEO)* means the CEO of a unit of general local government who is the elected official or the legally designated official having primary responsibility for the conduct of that entity's governmental affairs.

*Contract of participation (CoP)* means a contract in a form approved by HUD, entered into between a participating FSS family and a PHA operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. The contract of participation includes all individual training and services plans entered in between the PHA and all members of the family who will participate in the FSS program, and which plans are attached to the contract of participation as exhibits. For additional detail, see 24 CFR 984.303.

*Current annual earned income* means the FSS family's total annual earned income from wages and business income (if any) as of the most recent reexamination of income, which occurs after the effective date of the FSS contract. When calculating current annual earned income, all applicable exclusions of income will apply, including any disregarded earned income and other adjustments associated with self-sufficiency incentives or other alternative rent structures that may be applicable to the determination of annual income.

*Current monthly rent* means either the FSS family's TTP as of the most recent reexamination of income, which occurs after the effective date of the FSS contract, for families paying an income-based rent as of the most recent reexamination of income; or the amount of the flat rent, including applicable utility allowance or ceiling rent. This amount must include any hardship discounts, as of the most recent reexamination of income, which occurs after the effective date of the FSS contract, for families paying a flat rent or ceiling rent as of the most recent reexamination of income.

*Earned income* means income or earnings included in annual income from wages, tips, salaries, other employee compensation, and self-employment. Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS escrow account established by a PHA on behalf of a participating family.

*Effective date of contract of participation* means the first day of the month following the month in which the FSS family and the PHA entered into the contract of participation.

*Eligible families* for the FSS program means current participants in Section 8, residents of public housing, or residents in multifamily-assisted housing if a Cooperative Agreement exists.

#### PHA Policy

*Enhance the effectiveness of the FSS program* means a demonstrable improvement in the quality of an FSS program in which the enrollment ratio, escrow balance average, and graduation rate is at or above the national average as measured in HUD's Composite Scores in FR Notice 11/15/18.

*Enrollment* means the date that the FSS family entered the contract of participation with the PHA.

*Family Self-Sufficiency program* or *FSS program* means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by section 23 of the 1937 Act.

*FSS escrow account* means the FSS escrow account authorized by section 23 of the 1937 Act.

*FSS escrow credit* means the amount credited by the PHA to the participating family's FSS account.

*FSS family* means a family that receives Section 8 assistance or resides in public housing (section 9), that elects to participate in the FSS program, and whose designated adult member (head of FSS family) has signed the CoP.

*FSS family in good standing* means an FSS family that is in compliance with their FSS CoP, has either satisfied or are current on any debts owed the PHA or owner, and is in compliance with the regulations in 24 CFR Part 5 regarding participation in the relevant rental assistance program.

*FSS-related service program* means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of *supportive services*.

*FSS slots* refer to the total number of public housing units or the total number of rental vouchers that comprise the minimum size of a PHA's respective Section 8 and public housing FSS program.

*FSS Program Coordinator* means the person(s) who runs the FSS program. This may include (but is not limited to) performing outreach, recruitment, and retention of FSS participants; goal setting and case management/coaching of FSS participants; collaborating with the community and service partners; and tracking program performance.

*FY* means federal fiscal year (starting with October 1, and ending September 30, and designated by the calendar year in which it ends).

*Head of FSS family* means the designated adult family member of the FSS family who has signed the CoP. The head of FSS family may, but is not required to be, the head of the household for purposes of determining income eligibility and rent.

*Individual Training and Services Plan (ITSP)* means a written plan that is prepared by the PHA or owner in consultation with a participating FSS family member (the person with for and whom the ITSP is being developed), and which describes the final and interim goals for the participating FSS family member, the supportive services to be provided to the participating FSS family member, the activities to be completed by that family member, and the agreed upon completion dates for the goals, and activities. Each ITSP must be signed by the PHA or owner and the participating FSS family member and is attached to and incorporated as part of the CoP. An ITSP must be prepared for each adult family member who elects to participate in the FSS program, including the head of FSS family who has signed the CoP.

### PHA Policy

*Knowledgeable professional* means a person who is knowledgeable about the situation, has training, education, certification, or licensure provided by recognized professional associations and institutions that legitimizes their professional opinion, is competent to render a professional opinion, and is not able to gain, monetarily or otherwise, from the PHA FSS program decision in the area to which they are certifying.

*Multifamily-assisted housing, also known as project-based rental assistance (PBRA)*, means rental housing assisted by a Section 8 Housing Payments Program, pursuant to 24 CFR Parts 880, 881, 883, 884, and 886.

### PHA Policy

*Other costs related to achieving obligations in the contract of participation* means any costs necessary to complete an interim goal, a final goal, or tasks related to such in the ITSP.

*Owner* means the owner of multifamily-assisted housing.

*Participating family* is defined as *FSS family* in this section.

*Program Coordinating Committee (PCC)* means the committee described in 24 CFR 984.202.

*Public housing* means housing assisted under the 1937 Act, excluding housing assisted under Section 8 of the 1937 Act.

*Section 8* means assistance provided under Section 8 of the 1937 Act (42 U.S.C. 1437f). Specifically, multifamily-assisted housing, as defined in this section; tenant-based and project-based rental assistance under section 8(o) of the 1937 Act; the HCV homeownership option under section 8(y) of the 1937 Act; Family Unification Program (FUP) assistance under section 8(x) of the 1937 Act; and the Section 8 Moderate Rehabilitation (Mod Rehab) for low-income families and Moderate Rehabilitation Single Room Occupancy (Mod Rehab SRO) for homeless individuals under 24 CFR part 882.

*Self-sufficiency* means that an FSS family is no longer receiving Section 8, public housing assistance, or any federal, state, or local rent or homeownership subsidies or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS account funds.

### PHA Policy

*Supports* means, but is not limited to other costs related to achieving obligations outlined in the CoP, and training for FSS Program Coordinator.

*Supportive services* mean those appropriate services that a PHA will coordinate on behalf of an FSS family under a CoP. These may include child care of a type that provides sufficient hours of operation and serves an appropriate range of ages; transportation necessary to enable a participating family to receive available services or to commute to their places of employment; remedial education; education for completion of secondary or post-secondary schooling; job training, preparation, and counseling; job development and placement; follow-up assistance after job placement and completion of the contract of participation; substance/alcohol abuse treatment and counseling; training in homemaking and parenting skills; and personal welfare services that include substance/alcohol abuse treatment and counseling, and health, dental, mental health and health insurance services; household management; money management; counseling regarding homeownership or opportunities available for affordable rental and homeownership in the private housing market (including information on an individual's rights under the Fair Housing Act) and financial empowerment that may include financial literacy, coaching, asset building, money management; and any other services and resources, including case management and reasonable accommodations for individuals with disabilities, that the PHA may determine to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency.

*Unit size* or *size of unit* refers to the number of bedrooms in a dwelling unit.

*Very low-income family* is defined as set out in 24 CFR 813.102.

*Welfare assistance* means (for purposes of the FSS program only) income assistance from federal or state welfare programs and includes only cash maintenance payments designed to meet a family's ongoing basic needs. Welfare assistance does not include nonrecurrent, short-term benefits that are designed to deal with a specific crisis situation or episode of need, or are not intended to meet recurrent or ongoing needs and will not extend beyond four months; work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training); supportive services such as child care and transportation provided to families who are employed; refundable earned income tax credits; contributions to, and distributions from, individual development accounts under TANF; services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement and other employment-related services that do not provide basic income support; transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Social Security Act, to an individual who is not otherwise receiving assistance; amounts solely directed to meeting housing expenses; amounts for health care; food stamps and emergency rental and utilities assistance; and SSI, SSDI, or social security.

## Chapter 3

### PROGRAM ADMINISTRATION

#### INTRODUCTION

This chapter discusses administrative policies and practices as they are relevant to the activities covered in this plan. The policies and practices are discussed in two parts:

Part I: Staffing, Fees and Costs, and On-Site Facilities: This part describes identifying appropriate staff and contractors to operate the FSS program and provide the necessary direct services to FSS families. In addition, it describes how administrative fees, costs, and supportive services will be funded, and defines the use of on-site facilities.

Part II: The Program Coordinating Committee: This part covers the establishment of a program coordinating committee (PCC), which is a regulatory requirement in all FSS programs other than multifamily housing assistance. It describes required and recommended PCC membership, in addition to the option for an alternative committee.

#### PART I: STAFFING, FEES AND COSTS, AND ON-SITE FACILITIES

##### 3-I.A. OVERVIEW

Several functions of program administration are crucial to running an FSS program. A PHA may need to employ a program coordinator or decide to contract with another organization to administer the program. In addition to staffing issues, PHAs should understand how program funding and expenses work to keep the program running smoothly. Finally, PHAs need to sort out whether and how to make common areas or unoccupied units available to provide supportive services.

##### 3-I.B. PROGRAM ADMINISTRATION STAFF AND CONTRACTORS

[24 CFR 984.301(b)]

PHAs have the choice between hiring their own staff and contracting with an outside organization to administer their FSS program. If the PHA should choose to employ its own staff, the staffing levels should be appropriate, and may include one or more FSS coordinators. If the PHA chooses to contract with an outside organization, the organization's staffing levels must likewise be appropriate to establish and administer the FSS program, and whether the organization's responsibilities would include managing the FSS account in accordance with federal regulations.

##### PHA Policy

The PHA will employ appropriate staff, including one or more FSS coordinators to administer its FSS program.

### **3-I.C. FSS PROGRAM COORDINATOR RESPONSIBILITIES**

#### **Primary Role of the FSS Program Coordinator**

The FSS Program Coordinator is responsible for building partnerships with service providers in the community, working with the Program Coordinating Committee (PCC) and local service providers to ensure that FSS program participants are linked to the supportive services they need to achieve self-sufficiency, preparing an Individual Training and Services Plan (ITSP) for the head of the FSS family and each adult member of the FSS family who elects to participate in the FSS program, making certain that the services included in the participants' CoP are provided on a regular, ongoing, and satisfactory basis, ensuring FSS participants are fulfilling their responsibilities under the CoPs, monitoring progress of participants, and establishing and properly maintaining FSS escrow accounts for eligible families. FSS coordinators may also provide outreach, recruitment, goal setting, case management and coaching for FSS participants, and tracking of FSS program performance.

FSS Program Coordinators funded under the FSS Coordinator Notice of Funding Opportunity (NOFO) may not perform the routine public housing or Section 8 program functions of housing eligibility, leasing, rent calculation, and portability that are funded through Section 8 administrative fees or public housing operating funds unless doing so would enhance the effectiveness of the program. If conducting these functions would enhance the effectiveness of the FSS program, the PHA must seek prior approval from HUD of those enhancements to the FSS program and certify that doing so will neither interfere with the FSS Coordinator's ability to fulfill their primary role nor be used to balance or fill in for gaps in traditional staffing.

Performance of routine Section 8 or public housing functions for non-FSS families does not enhance the effectiveness of the FSS program and is therefore an ineligible use of FSS funds [2021 FSS NOFO, p. 36].

#### PHA Policy

City of Pasadena Housing Program does not receive funding under the FSS Coordinator Notice of Funding Opportunity (NOFO), therefore, the above rule does not apply to the PHA

### **3-I.D. ADMINISTRATIVE FEES AND COSTS**

The Consolidated Appropriations Act of 2014 combined funding streams for the Section 8 and public housing FSS programs. FSS funding is now awarded through one NOFO. Use of this funding is no longer restricted to the applicable program and funding now may be used to serve both Section 8 and public housing FSS participants. Funding for FSS Coordinators salary, benefits, and training as well as limited administrative costs is awarded through a Grant Agreement and disbursed through HUD's Line of Credit Control System (LOCCS), rather than as an amendment to the PHA's Annual Contributions Contract (ACC). These funds are separate from other available funds that may be used.

#### **Section 8 FSS Program**

In the Section 8 programs, administrative fees are paid to PHAs for HUD-approved costs associated with the operation of an FSS program. These administrative fees are established by Congress and subject to appropriations [24 CFR 984.302(b)].

In addition, administrative fees for HUD-approved costs not specifically related to the operation of the FSS program may be used to cover these costs associated with the administration of FSS [see Notice PIH 93-24 E-7 and E-8].

See 24 CFR 982.152 and PIH 2022-18 for details on the eligible use of administrative fees.

#### **Public Housing FSS Program**

For public housing FSS programs, the performance funding system (PFS), provided under section 9(a) of the 1937 Act, provides for the reasonable and eligible administrative costs that the PHA incurs in carrying out the program only when funds have been appropriated. However, a PHA may use other resources for this purpose [24 CFR 984.302(a)].

In other words, the PHA may fund reasonable and eligible administrative costs in the FSS program from the Operating Fund. However, these expenses will only be reimbursed in the operating subsidy when a current appropriations act allows it. In addition, the PHA may fund reasonable and eligible administrative costs from the Capital Fund. Administrative staffing costs may also be funded through HUD or other grant or foundation sources. This includes FSS Coordinator grants when available.

#### PHA Policy

The PHA will not make funds available from the Section 8 administrative fees or unrestricted net position, to provide administrative costs to the FSS program.

### **3-I.E. SUPPORTIVE SERVICES FEES AND COSTS**

#### **Section 8 FSS Supportive Services**

In the Section 8 program, the PHA may fund reasonable and eligible FSS supportive service costs in the FSS program from unrestricted net position [see Notice PIH 93-24, E-3].

The PHA may seek additional funds from HUD through submitting grant applications or seek grants from other sources when available.

In addition to unrestricted net position and other grant sources, the FSS forfeited escrow account can fund FSS supportive services. See Section 6-I.E. for eligible supportive services costs.

#### **Public Housing FSS Supportive Services**

In public housing, the PHA may fund reasonable and eligible FSS supportive service costs in the FSS program from the Operating Fund. However, the costs of FSS supportive services are only reimbursed through the operating subsidy when appropriations allow it.

FSS public housing supportive services can also be funded through other HUD grants or related government and foundation grants, when available.

##### PHA Policy

The PHA will not make funds available from the Section 8 unrestricted net position or to provide supportive services costs to the FSS program.

### **3-I.F. USE OF FORFEITED ESCROW ACCOUNTS FUNDS**

In addition to Section 8 unrestricted net assets, public housing operating funds, and other grant sources, the FSS forfeited escrow account funds must be used for the benefit of FSS participants, which includes supports and other costs for FSS participants in good standing. HUD does not provide an exhaustive list of these supports. However, the supports include, but are not limited to, transportation, childcare, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the contract of participation as well as training for FSS Program Coordinators.

##### PHA Policy

The PHA will use forfeited escrow accounts for training provided to FSS Coordinators.

Forfeited escrow funds remaining from terminated participants will be collected in a general fund and may be disbursed evenly among participants in good standing on a regular basis.

### **3-I.G. ON-SITE FACILITIES**

Each PHA may, subject to the approval of HUD, make available and utilize common areas or unoccupied dwelling units in public housing projects to provide supportive services under an FSS program. This includes using such areas for participants in a Section 8 FSS program.

#### **PHA Policy**

The PHA will make the City of Pasadena Housing Office available to provide supportive services under the FSS Section 8.

## **PART II: PROGRAM COORDINATING COMMITTEE**

### **3-II.A. OVERVIEW**

As another integral part of FSS program administration, each participating PHA must establish a program coordinating committee (PCC) whose functions will be to assist the PHA in securing commitments of public and private resources for the operation of the FSS program within the PHA's jurisdiction, including assistance in developing the Action Plan and in implementing the program [24 CFR 984.202(a)].

The PCC must consist of specific members, which are dependent upon whether the PHA is operating Section 8, public housing, or multifamily assisted housing FSS programs. In addition to these required members, the PCC may also include additional members recommended by regulation.

### **3-II.B. PROGRAM COORDINATING COMMITTEE MEMBERSHIP**

#### **Required PCC Membership [24 CFR 984.202(b)(1)]**

The PCC required members consist of representatives of the PHA, including at least one FSS Program Coordinator, and one or more participants from each HUD rental assistance program (Section 8, public housing, or multifamily assisted housing) served by the PHA's FSS program.

#### PHA Policy

The PHA's representatives to the program coordinating committee will be the Director of Housing or his/her designee, and the FSS Program Coordinator and one participant from the Section 8 Program.

#### **Assistance in Identifying Potential PCC Members [24 CFR 984.202(b)(1)]**

The PHA may seek assistance from area-wide, city-wide, or development-based resident councils, the resident management corporation, or the Resident Advisory Board, in identifying potential PCC members.

#### PHA Policy

The PHA is a Section 8 only PHA and does not have a resident management corporation, or Resident Advisory Board

#### **Recommended PCC Membership [24 CFR 984.202(b)(2)]**

Membership on the PCC also may include representatives of the unit of general local government served by the PHA, local agencies (if any) responsible for carrying out employment training programs or programs funded under the Workforce Innovation and Investment Act, and other organizations, such as other state, local, or tribal welfare and employment agencies, public and private education or training institutions, child care providers, nonprofit service providers, private business, and any other public and private service providers with resources to assist the FSS program.

### PHA Policy

The PHA's FSS program coordinating committee membership will include leadership from the following organizations:

- *Baker Ripley Neighborhood Centers*
- *San Jacinto College*
- *Missing Pieces*
- *Family Houston Financial Stability Program*

### **3-II.C. ALTERNATIVE PCC COMMITTEE [24 CFR 984.202(c)]**

It is also possible for the PHA, in consultation with the chief executive officer of the unit of general local government served by the PHA, to use an existing entity as the PCC, if the membership of the existing entity consists or will consist of the individuals required by regulation (See section 3-II.B. above).

### PHA Policy

The PHA will not utilize an existing entity as its program coordinating committee.

## Chapter 4

### SELECTING AND SERVING FSS FAMILIES

#### INTRODUCTION

FSS regulations require that the PHA include in its Action Plan a statement indicating how it will select families for participation in the FSS program. This includes outreach, waiting list management, and other selection procedures. When followed, the PHA's selection procedures ensure that families will be selected without regard to race, color, religion, sex, handicap, familial status, or national origin.

Once selected for participation in the FSS program, families are to be provided various activities and supportive services so that they may obtain the education, employment, business, and social skills necessary to achieve self-sufficiency. A description of such activities and supportive services is also a requirement of the FSS Action Plan.

This chapter contains three parts:

Part I: Incentives, Outreach, and Assurance of Noninterference: This part describes the incentives the PHA will offer and the outreach efforts the PHA will use to encourage participation and recruit eligible families for the FSS program and contains the required assurance of noninterference with the rights of nonparticipating families.

Part II: Family Selection: This part covers whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so. In addition, this part describes the selection factors the PHA will use in screening families for participation in the FSS program.

Part III: Activities and Support Services: This part lists the activities and supportive services to be provided to families through both public and private resources, describes the method the PHA will use to identify family support needs, and covers the required certification of coordination.

## **PART I: INCENTIVES, OUTREACH, AND ASSURANCE OF NONINTERFERENCE**

### **4-I.A. OVERVIEW**

The FSS program offers incentives such as the FSS escrow account, case management, coaching, and other supportive services that not only encourage participation, but also help families achieve self-sufficiency. In addition to encouraging program participation through such incentives, PHAs also conduct outreach to recruit FSS participants from among eligible families. As part of this process, families need to know that their choice as to whether to participate in the FSS program will not affect their admission to the Section 8 or public housing programs, nor will it affect their right to occupancy. This part describes the PHA's policies regarding these issues, all of which are required aspects of the FSS Action Plan.

**4-I.B. INCENTIVES FOR PARTICIPATION [24 984.201(d)(5)]**

By regulation, the FSS Action Plan must include a PHA’s incentives plan—a description of the incentives that the PHA intends to offer eligible families to encourage their participation in the FSS program. The incentives plan provides for the establishment of the FSS escrow account and any other incentives designed by the PHA.

PHA Policy

The PHA will offer the following services to its FSS participants as incentives to participate in FSS.

<b>Incentive</b>	<b>Provided By</b>	<b>Description</b>
FSS escrow account	PHA	Interest bearing savings account.
Case management/Coaching	PHA	Informal and formal assessments of strengths, challenges, goal steering to utilize strengths to overcome challenges, referral to needed services, and on-going monitoring of quality of those services and progress toward goal of self-sufficiency.
Information and referrals to services	PHA	211—information on, referral to, and explanation of available services within the community.

**4-I.C. OUTREACH EFFORTS [24 CRF 984.201201(d)(6)(i)(ii)]**

In addition to offering incentives for FSS participation, PHAs also conduct outreach to recruit more FSS participants from eligible families. The FSS Action Plan must include a description of these efforts to recruit FSS participants, including notification and outreach, the actions the PHA will take to assure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known.

PHA Policy

The PHA will notify eligible families about the FSS program using the following outreach locations or activities and methods. These points of contact and methods have been selected to ensure that both minority and nonminority groups are informed about the FSS program.

<b>Location/Activity</b>	<b>Staff/Partner</b>	<b>Method</b>	<b>Language</b>
Briefings/Orientations	PHA Staff Specialist	Flyer Presentation	PHA will provide services in any language as necessary
Interims/Recertifications	PHA Staff Specialist	Flyer Posters Presentation Referral Form	PHA will provide services in any language as necessary
Transfers/Portability	PHA Staff Specialist	Flyer Posters Presentation Referral Form	PHA will provide services in any language as necessary
Waiting Room	PHA Staff	Flyer Posters Video	PHA will provide services in any language as necessary
Inspections	Inspector	Flyer Presentation	PHA will provide services in any language as necessary

**4-1.D. ASSURANCE OF NONINTERFERENCE WITH THE RIGHTS OF NONPARTICIPATING FAMILIES [24 CFR 984.201(d)(10)]**

A family’s housing assistance or admission into assisted housing should never depend on whether they choose to participate in the FSS program, and PHAs need to make this known as part of the recruitment process. For this reason, the PHA’s Action Plan must include an assurance that a family’s decision to not participate in the FSS program will not affect the family’s admission to the Section 8 or public housing programs, nor will it affect the family’s right to occupancy in accordance with the lease.

PHA Policy

Participation in the FSS program is strictly voluntary. Section 8 participants will be notified in all literature and media presentations related to the FSS program that should they decide not to participate in the FSS program, it will not affect their Section 8 housing assistance. This material will also specify that the family will retain the right to occupancy according to their lease and family obligations contract.

## **PART II: FAMILY SELECTION**

### **4-II.A. OVERVIEW**

The FSS Action Plan is required to contain a statement indicating the procedures for selecting families for FSS program participation, including a description of how the PHA will do so without regard to race, color, religion, sex (including actual or perceived gender identity), familial status, or national origin. This part describes these procedures, considering whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so, in addition to defining the factors the PHA will use in screening families for program participation.

### **4-II.B. FSS SELECTION PREFERENCES**

As part of the process for selecting families for participation in the FSS program, the PHA may choose whether to employ the use of preferences. If the PHA so chooses, it has the option of giving a selection preference for up to 50 percent of its FSS program slots to eligible families who have one or more family members currently enrolled in an FSS-related service program or who are on the waiting list for such a program. Such a preference may be further limited to participants in and applicants for one or more specific eligible FSS-related service programs.

Should the PHA choose to adopt such a preference, it would need to include the following information in its Action Plan:

- The percentage of FSS slots, not to exceed 50 percent of the total number of FSS slots for each of its FSS programs, for which it will give a selection preference
- The FSS related service programs to which it will give a selection preference to the programs' participants and applicants
- The method of outreach to and selection of families with one or more members participating in the identified programs [24 CFR 984.203(a)]

A PHA may wish to adopt additional selection preferences as well [Notice PIH 93-24].

#### PHA Policy

The PHA will not adopt the use of any other preferences when selecting families for participation in the FSS program.

The PHA may use either of the following to select among applicants on the FSS waiting list with the same preference status [24 CFR 984.203(b)]:

- Date and time of application to the FSS program; or
- A drawing or other random choice technique.

PHA Policy

The PHA will use the date the family expressed an interest in participating in the FSS program to fill the FSS slots.

**4-II.C. SELECTION FACTORS**

Many factors contribute to whether a PHA may choose to select a family for participation in the FSS program. These selection factors can help the PHA screen families for admission, and ultimately contribute to the PHA's decision to either allow or deny a family's admission into the FSS program.

**Motivation Selection Factors [24 CFR 984.203(d)(1)]**

A PHA may screen families for interest and motivation to participate in the FSS program provided that the factors utilized by the PHA are those which solely measure the family's interest and motivation to participate in the FSS program. For this reason, PHAs must only apply motivational screening factors that are permissible under the regulations.

***Permissible Motivation Selection Factors***

Permitted motivational factors include requiring attendance at FSS orientation sessions or pre-selection interviews or assigning certain tasks indicating the family's willingness to undertake the obligations that may be imposed by the FSS contract of participation. However, any tasks assigned should be readily accomplishable by the family based on the family members' educational level, abilities, or disabilities, if any. Reasonable accommodations must be made for individuals whose disability (mobility, manual, sensory, speech impairments, mental, or developmental disabilities) creates a barrier to accomplishing the tasks [24 CFR 984.203(d)(2)].

PHA Policy

The PHA will screen families for interest and motivation to participate in the FSS program by contacting the family by telephone to those who have completed an interest form.

### ***Prohibited Motivation Selection Factors***

Prohibited motivational screening factors include the family's educational level, educational or standardized motivational test results, previous job history or job performance, credit rating, marital status, number of children, or other factors, such as sensory or manual skills, and any factors which may result in discriminatory practices or treatment toward individuals with disabilities or minority or nonminority groups [24 CFR 984.203(d)(3)].

### **Other Selection Factors**

In addition to motivational screening, the PHA may also wish to screen families for the following additional factors.

#### ***PHA Debt Selection Factor***

The PHA may deny FSS participation to a family if the family owes the PHA, or another PHA, money in connection with Section 8 or public housing assistance [Notice PIH 93-24, B-18].

##### PHA Policy

The PHA will deny FSS participation to a family if the family owes the PHA, or another PHA, money in connection with Section 8 or public housing assistance. Families that owe money to a PHA who have entered into a repayment agreement and are current on that repayment agreement will not be denied FSS participation.

#### ***Unavailable Support Services Selection Factor***

If the PHA determines, after consulting with the family, that a missing service is essential to the family's needs, the PHA may skip that family (and other similar families) and offer the FSS slot to the next family for which there are available services [Notice PIH 93-24, B-8].

A PHA may refuse to select a family for participation in the FSS program a second time if that family previously participated unsuccessfully (i.e., the family participated, did not meet its FSS obligations, and was terminated from the FSS program) [Notice PIH 93-24, B-14].

##### PHA Policy

The PHA will not select a family for participation in the FSS Program a second time if that family previously participated and did not complete.

The PHA will not enroll a family for participation in the FSS program a second time if that family previously participated, completed the COP, and received a final distribution of their escrow account.

#### **4-II.D. SELECTION OF HEAD OF HOUSEHOLD**

Each eligible family that is selected to participate in an FSS program must enter a contract of participation with the PHA. There will be no more than one contract at any time for each family. There may be an ITSP for as many members of the family who wish to participate. The contract shall be signed by a representative of the PHA and the head of FSS family, as designated by the family. This head of FSS family does not have to be the same as the official head of household for rental assistance purposes [24 CFR 984.303(a)].

##### PHA Policy

The PHA will meet with the family and detail the obligations, rights, and privileges that pertain to the FSS head of household and require each adult family member to certify their agreement as to their designated head of the FSS family. These certifications will be a permanent part of the FSS family's record and will be updated with each change of head of household.

## **PART III: ACTIVITIES AND SUPPORT SERVICES**

### **4-III.A. OVERVIEW**

Once families are admitted to the FSS program, the PHA becomes responsible for making sure these families are adequately served. The purpose of the Family Self-Sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of Section 8 and public housing assistance programs with public and private resources, to enable families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency. As such, upon selection, families are matched with the appropriate activities and supportive services so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. This is a vital element of the FSS program. The PHA must make a good faith effort to replace the obtained services from another agency.

### **4-III.B. METHOD OF IDENTIFYING FAMILY SUPPORT NEEDS [24 CFR 984.201(d)(8)]**

Before a PHA can determine the services and activities it will provide to FSS families, it must identify the services and activities appropriate to each family. The Action Plan must contain a description of how the program will identify the needs of FSS families and deliver the services and activities according to these needs.

#### PHA Policy

Supportive services needs are identified by completion of a needs assessment with the FSS coordinator or case manager.

### **4-III.C. FSS ACTIVITIES AND SUPPORT SERVICES DESCRIPTION [24 CFR 984.201(d)(7)]**

As part of the required contents of the Action Plan, PHAs must both describe the activities and supportive services to be provided by public and private resources to FSS families and identify the public and private resources that are expected to provide the supportive services.

Of course, this task assumes that the PHA has first identified the needed activities and supportive services.

#### PHA Policy

The PHA's FSS program, through its partners on the program coordinating committee, will provide the following activities and support services to FSS families:

<b>Support Service General</b>	<b>Support Service Specific</b>	<b>Source/Partner</b>
<b>Assessment</b>	Vocational Assessment Educational Assessment Vocational Planning Educational Planning Assessment/Planning	San Jacinto Community College Houston Community College Interactive College of Technology
<b>Education</b>	High School English as a Second Language GED Post-secondary College	Pasadena Independent School District Deer Park Independent School District San Jacinto Community College Houston Community College Interactive College of Technology University of Houston
<b>Training</b>	Skills Training Emerging Technologies Training On-the-Job Training	San Jacinto Community College Houston Community College Interactive College of Technology
<b>Job Search Assistance</b>	Resume Preparation Interviewing Skills Dress for Success Workplace Skills Job Development Job Placement	Family Houston Financial Stability Program Workforce Solutions Local Temporary Agencies
<b>Health Care</b>	Alcohol and Drug Prevention Alcohol and Drug Treatment	United Way- Greater Houston SAMHSA National Helpline
<b>Child Care</b>	Infant Care Toddler Care Preschool Care Afterschool Care	N C I Program Cleveland-Ripley Neighborhood Center
<b>Financial Literacy</b>	Financial Education Financial Coaching Debt Resolution Credit Repair	Family Houston Financial Stability Program

<b>Support Service General</b>	<b>Support Service Specific</b>	<b>Source/Partner</b>
<b>Legal Services</b>	Representation Document Review Counsel or Advice	ACLU Legal Aid Texas Apartment Association
<b>Child/Adult Protective Services</b>	Needs Assessment Case Planning Information Referral Crisis Management	Adult Abuse Hotline Child Abuse Hotline Foster Care Adoption Services
<b>Crisis Services</b>	Crisis Assessment Crisis Intervention Crisis Management Crisis Resolution	United Way- Texas Gulf Coast Poison Center Domestic Violence Shelter Houston Area Women Center Crisis Pregnancy Hotline
<b>Micro and Small Business Development</b>	Training Planning Technical Assistance Mentoring	Small Business Administration
<b>Homeownership</b>	Training Planning Debt Resolution	South East Texas Homeownership (SETH)
<b>Individual Development Accounts</b>	Match Savings Accounts	Family Houston Financial Stability Program

#### **4-III.D. CERTIFICATION OF COORDINATION [24 CFR 984.201(D)(12)]**

The FSS Action Plan is required to contain a certification that the development of the activities and services under the FSS program has been coordinated with the JOBS program (now Welfare to Work under TANF), the programs under title I of the Workforce Innovation and Opportunity Act, and any other relevant employment, child care, transportation, training, and education programs in the applicable area. The implementation of the FSS program's activities and services must continue to be coordinated as such to avoid duplication of activities and services.

##### **PHA Policy**

The PHA certifies that its FSS program has developed its services and activities in coordination with programs under Title I of the Workforce Innovation and Opportunity Act, Workforce Investment Board and American Job Centers (also known as Workforce Centers or One Stop Career Centers), and any other relevant employment, child care, transportation, training, and education programs in the applicable area. The implementation of these activities and services will continue to be coordinated in this manner to avoid duplication of activities and services.

## Chapter 5

### CONTRACT OF PARTICIPATION

#### INTRODUCTION

Each family that is selected to participate in an FSS program must enter into a contract of participation with the PHA. This contract, which is signed by the head of the FSS family, sets forth the principal terms and conditions governing participation in the FSS program, including the rights and responsibilities of the FSS family and of the PHA, the services to be provided to the head of the FSS family and each adult member of the family who elects to participate in the program, and the activities to be completed by them. The contract also incorporates the individual training and services plan [24 CFR 984.303].

This chapter contains two parts:

Part I: Overview and Family Obligations: This part provides an overview of the form and content of the contract of participation and describes what the contract requires of FSS families.

Part II: Contract Specifications: This part explains the specifications of the contract, including terms and conditions, contract modification, contract terminations, and grievance procedures.

#### PART I: OVERVIEW AND FAMILY OBLIGATIONS

##### 5-I.A. OVERVIEW

The purpose of the FSS contract of participation is to set forth the principal terms and conditions governing participation in the FSS program, including the incorporation of the individual training and services plan (ITSP) as part of the contract's required contents. The ITSP is meant to establish goals the FSS family will meet along the family's way to completing the contract and becoming self-sufficient. In addition to the goals specified in the ITSP, the contract also lists the responsibilities of the family and the PHA. This part covers the ITSP as part of the required contents of the contract of participation, and the family's obligations under the contract.

## **5-I.B. CONTENTS OF THE CONTRACT OF PARTICIPATION**

### **Individual Training and Services Plan**

There will only ever be one FSS contract of participation (CoP) at any time for each FSS family. As part of the required contents of the FSS contract of participation (CoP), the individual training and services plan (ITSP) establishes specific interim and final goals by which the PHA and the family measure the family's progress toward fulfilling its obligations under the contract of participation and becoming self-sufficient. Interim and final goals will differ depending on the family's individual needs. Regulations require the establishment of a final goal that includes both employment for the head of the FSS family and independence from welfare assistance for all family members regardless of age.

#### ***Interim Goals [24 CFR 984.303(b)(2)]***

PHAs must work with each participant to establish realistic and individualized goals and may not include additional mandatory goals or mandatory modifications of the two mandatory goals.

#### ***Individual Training and Service Plans for Other than FSS Head [24 CFR 984.103]***

An individual training and services plan is required for the head of the FSS family and all adults choosing to participate. ITSPs must be prepared for each adult family member participating. ITSPs are prepared by the PHA, in consultation with the participating family member [Notice PIH 93-24, G-16.

## 5-I.C. FAMILY OBLIGATIONS

### Compliance with Lease Terms [24 CFR 984.303(b)(3)]

One of the obligations of the FSS family according to the contract of participation is to comply with the terms and conditions of the Section 8 or public housing lease.

Inability to comply with the lease represents an inability to comply with the contract, therefore regulations regarding noncompliance with the FSS contract apply [see 24 CFR 984.303(b)(5)]. It is up to the PHA to determine the plan of action for FSS families found in noncompliance with the lease and how the PHA will precisely define the term *comply with the lease*. All considerations allowed for other assisted residents regarding violations of the lease, must also be allowed for FSS participants.

#### PHA Policy

The PHA will define *comply with the lease* to mean the FSS family has not been evicted for repeated or serious violations of the lease as defined in the Section 8 Administrative Plan and public housing Admissions and Continued Occupancy Policy; or if they have been evicted for repeated and serious violations of the lease, the family has pursued their right to grieve, and the family has prevailed in either the grievance hearing or the informal hearing process.

The PHA's FSS program will not terminate the FSS contract of participation for failure to comply with the terms of the lease.

### **Employment Obligation [24 CFR 984.303 (b)(4)]**

Another obligation set forth by the contract of participation is for the head of the FSS family to *seek and maintain suitable employment* during the term of the contract and any extension. Although other members of the FSS family may seek and maintain suitable employment during the term of the contract, it is only a requirement for the head of the FSS family.

The obligation for the head of the FSS family to *seek employment* is defined in the regulatory language as meaning that the head of the FSS family has searched for jobs, applied for employment, attended job interviews, and has otherwise followed through on employment opportunities. However, this definition still leaves room for policy decisions on the part of the PHA because it does not define the level of activity involved in “seeking.”

There is no regulatory definition of *maintain suitable employment*. For this reason, it is up to the PHA to define the term. However, there can be no minimum period of time that the head of the FSS family must work.

With the agreement of the FSS family member, the PHA makes a determination of what it means to maintain suitable employment based on the skills, education, and job training of the FSS head of household, receipt of other benefits of the family member, and the available job opportunities within the jurisdiction served by the PHA. This means that the PHA must consult with the family member and agreement must be reached as to what *maintain suitable employment* is for that family member [24 CFR 984.303 (b)(4), Notice PIH 93-24, G-3].

#### PHA Policy

For purposes of the PHA’s FSS program, *seek employment* means the head of household has applied for employment, attended job interviews, and otherwise followed through on employment opportunities as outlined in the individual training and services plan of their contract of participation.

*Maintain suitable employment* is employment, on the last day of the contract, that is outlined in the individual training and service plan and is based on the skills, education, job training, and receipt of other benefits of the head of the FSS family. The PHA will require verification of this employment or enrollment.

## **5-I.D. CONSEQUENCES OF NONCOMPLIANCE WITH THE CONTRACT**

Consequences apply for families who do not meet the terms and conditions of the contract. The regulations require that the contract of participation specify that if the FSS family fails to comply, without good cause, with the terms and conditions of the contract (including compliance with the Section 8 or public housing lease), the PHA may:

- Withhold supportive services
- Terminate the family's participation in the FSS program

PHAs are not permitted to terminate a family's housing assistance due to the family's failure to meet its obligations under the contract of participation [24 CFR 984.101(d)].

### PHA Policy

The contract of participation (CoP) will be terminated before the expiration of the contract term if the participant fails to meet, without "good cause," their obligations as outlined in the CoP. If the participant fails to meet its obligations outlined in the CoP, the FSS coordinator, or their designee, will first meet with the family to reassess the need for supportive services or a change in the individual training and services plan (ITSP).

If a reassessment of supportive services and a change in the ITSP is not successful in bringing the family in to compliance, the FSS coordinator will reassess the need for, and availability of, supportive services and refer the participant to a knowledgeable professional for a formal assessment of the challenges leading to the noncompliance.

The FSS Coordinator will use this formal assessment to identify and refer to resources that remove the challenge so the participant is able to meet their obligations outlined in the CoP.

Finally, if neither of these alternatives is successful, the FSS coordinator will terminate the CoP for failure to complete the tasks, interim goals, or final goals of the ITSP in a timely manner, and thus failure to complete the obligations outlined in the CoP.

The FSS coordinator will make an exception to the actions in terminating the CoP if the participant can, with the assistance of the FSS Coordinator, demonstrate "good cause" for the failure to meet its obligations as outlined in the CoP.

For purposes of the PHA FSS program, *good cause* includes circumstances beyond the control of the FSS family:

**Family circumstances**

Death in the family

Serious illness

Medical emergency

Mandatory court appearances

Involuntary loss of employment

Loss of head of household through death, incarceration, or removal from lease

Change in the ITSP improving progress toward economic self-sufficiency

**Community circumstances**

Significant reduction in workforce (over 20 percent reduction in employment field)

Significant interruption in service delivery (over 3 months interruption)

Provider noncompliance with regulation

Provider unable or unwilling to provide service

Provider offering inferior service

**Active pursuit of a current or additional self-sufficiency goal**

Resolution of a barrier to employment

Completion of a college degree or technical training

Completion of a work-related certification

Credit repair towards homeownership readiness

## **PART II: CONTRACT SPECIFICATIONS**

### **5-II.A. OVERVIEW**

In addition to making clear the family's obligations under the program, the contract of participation contains specific terms and conditions, including those governing contract modifications, terminations, and grievance procedures. This part describes those specifications and associated policy.

### **5-II.B. CONTRACT TERM [24 CFR 984.303(c)]**

The contract term is five years. This means that the family has no more than five years from the effective date of the contract of participation (CoP) to fulfill their obligations as specified in the contract. This five year term requirement will be specified in the CoP.

### **Contract Extension [24 CFR 984.303(d)]**

While the term set forth in the contract of participation is for five years, contract extensions are available. According to regulation, PHAs must for "good cause" extend the term of the contract for a period not to exceed two years for any FSS family that requests an extension of the contract in writing or verbally. The family's written or verbal (documented by the FSS Coordinator) request for an extension must include a description of the need for the extension. *Good cause* means circumstances beyond the control of the FSS family, as determined by the PHA, such as a serious illness or involuntary loss of employment (further defined by PHA policy in Section 5-I.D.). Extension of the contract of participation will entitle the FSS family to continue to have amounts credited to the family's FSS account.

## **5-II.C. MODIFICATION OF THE CONTRACT**

The contract of participation (CoP) may be modified, as long as the PHA and the FSS family mutually agree to modify it. This includes modifications in writing with respect to the individual training and services plans (ITSPs), the contract term (See Section 5-II.B. above), and designation of the head of the family [24 CFR 984.303(f)]. The conditions under which the PHA will modify the contract are set forth in the policy below.

### **PHA Policy**

In the PHA's FSS program, the CoP will be modified by mutual agreement between the PHA and the FSS head of household:

When modifications to the ITSP improve the participant's ability to complete their obligations in the CoP or progress toward economic self-sufficiency.

When the actual end date of the CoP is determined by the effective date of the FSS family's first reexamination changes the end date of the CoP.

When the designated head of the FSS family ceases to reside with other family members in the assisted unit, and the remaining family members, , designate another family member to be the FSS head of household and receive escrow funds.

When an FSS family moves to the jurisdiction of a receiving PHA that does not have an FSS program and the family may not continue participation in the FSS program, and modification of the FSS contract will allow the family to complete the contract and receive an escrow disbursement or terminate the contract with escrow disbursement.

## **5-II.D. COMPLETION OF THE CONTRACT**

By regulation, the contract of participation is considered to be completed when the head of household is employed and the FSS family has fulfilled all of its obligations under the contract of participation, including all family members' ITSPs, on or before the expiration of the contract term, including any extension thereof.

Policies on verifying completion of the contract of participation can be found in Section 6-I.C. of this action plan.

## **5-II.E. TRANSITIONAL SUPPORTIVE SERVICE ASSISTANCE**

Even after a family has completed the contract of participation, a PHA may continue to offer appropriate FSS supportive services to a former completed FSS family. If the family still resides in Section 8 or public housing, these supportive services would be offered for becoming self-sufficient. If the family no longer resides in Section 8 or public housing, these supportive services would be offered for becoming self-sufficient or remaining self-sufficient. Transitional services for families who no longer reside in Section 8 or public housing, may only be offered using sources that are not HUD funds or HUD restricted funds [24 CFR 984.303(j)].

### PHA Policy

The PHA will continue to offer supportive services to a former FSS family who has completed its contract of participation.

## **5-II.F. TERMINATION OF THE CONTRACT**

### **Termination of the Contract with Escrow Distribution [24 CFR 984.303(k)]**

The contract of participation will be terminated with escrow distribution before the expiration of the contract term, during any extension of the contract, or at end of the term of the contract if all obligations under such have not been met, when:

- Services that the PHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency are unavailable, as described in Section 5-II.H. of this Action Plan. This type of termination is also referred to as "nullification" in the FSS regulations at 24 CFR 984.
- The head of the FSS family becomes permanently disabled and unable to work during the period of the contract, unless the PHA and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family; or

An FSS family in good standing moves outside the jurisdiction of the PHA (in accordance with portability requirements at 24 CFR 982.353) for good cause and continuation of the CoP after the move or completion of the CoP prior to the move is not possible. PHAs must be consistent in their determinations of whether a family has good cause for a termination with FSS escrow disbursement.

### **Termination of the Contract without Escrow Distribution [24 CFR 984.303(h)]**

The contract of participation may be terminated before the expiration of the contract term and any extension of the contract by the following:

- Mutual consent of the parties
- Failure of the FSS family to meet its obligations under the contract of participation without good cause, including in a Section 8 FSS program the failure to comply with the contract requirements because the family has moved outside the jurisdiction of the PHA
- The family's withdrawal from the FSS program
- Such other act as is deemed inconsistent with the purpose of the FSS program
- Operation of law

### PHA Policy

The CoP will be terminated before the expiration of the contract term, and any extension thereof, for any of the following reasons

Mutual consent of the parties.

Family's withdrawal from the FSS program.

Failure of the FSS family to meet its obligations under the contract of participation without good cause. *Good cause* for the purposes of the FSS program is also defined in Section 5-I.D. of this Action Plan.

Such other act as is deemed inconsistent with the purpose of the FSS program.

Operation of law.

If the FSS family faces termination due to failing to meet, without good cause, its obligations under the CoP, the PHA will follow the relevant policy specified in Section 5-I.D. of this action plan.

**Note:** If the family is unable to meet the requirements of the contract of participation because essential services are not available, the contract is *nullified*, not terminated.

In addition, the contract of participation is automatically terminated if the family's Section 8 assistance is terminated in accordance with HUD requirements [24 CFR 984.303(h)].

### **5-II.G. OPTION TO WITHHOLD SUPPORTIVE SERVICE [24 CFR 984.303(b)(5)(i)]**

As touched upon in Section 5-I.D. of this action plan, the PHA has the option to withhold supportive services or the FSS family's participation in the FSS program if the PHA determines that the FSS family has failed to comply without good cause with the requirements of the contract of participation.

PHAs are not permitted to terminate Section 8 assistance to a family due to the family's failure to meet its obligations under the contract of participation [24 CFR 984.101(d)].

### **5-II.H. PHA OBLIGATION TO MAKE GOOD FAITH EFFORT TO REPLACE UNAVAILABLE SUPPORT SERVICES [24 CFR 984.303(e)]**

PHAs must make an extensive good faith effort to replace services that community agencies either cannot or will not provide. If all of the steps below are exhausted without the provision of an integral service, the contract of participation can be ended ahead of time as a result. This, however, should only occur as a last resort. The PHAs good faith effort must be demonstrated by taking the following steps:

- If a social service agency fails to deliver the supportive services pledged under an FSS family member's individual training and services plan (ITSP), the PHA must make a good faith effort to obtain these services from another agency.
- If the PHA is unable to obtain the services from another agency, the PHA must reassess the family member's needs and determine whether other available services would achieve the same purpose.
- If other available services would not achieve the same purpose, the PHA shall determine whether the unavailable services are integral to the FSS family's advancement or progress toward self-sufficiency.
- If the unavailable services are not integral to the FSS family's advancement toward self-sufficiency, the PHA must revise the ITSP, delete these services, and modify the contract of participation to remove any obligation on the part of the FSS family to accept the unavailable services.
- If the unavailable services *are* determined to be integral to the FSS family's advancement toward self-sufficiency (which may be the case if the affected family member is the head of the FSS family), the PHA shall terminate the contract of participation and follow the requirements in Section 5-II.F. of this Action Plan.

Termination of the contract of participation based on unavailability of supportive services shall never be grounds for termination of Section 8 or public housing assistance.

## **5-II.I. GRIEVANCE PROCEDURES**

When adverse action is taken by the PHA against a family, the PHA is required to provide a grievance hearing in the public housing program, or an informal hearing in the Section 8 program [24 CFR 966 subpart B, 24 CFR 982.554].

According to regulatory requirements, the FSS action plan must contain the grievance and hearing procedures available for FSS families against whom the PHA has taken adverse action with regards to FSS [24 CFR 984.201(d)(9)].

### PHA Policy

The grievance and informal hearing procedures for the FSS program will be the same as the grievance and hearing procedures adopted for the Section 8 and public housing programs in the PHA's admissions and continued occupancy policy and administrative plan, respectively (See pages *Chapter 15 and Chapter 18 of Administrative Plan*)

Adverse actions taken within the FSS program include:

- Denial of admission into the FSS program
- Denial of request for supportive services
- Denial of request to change the ITSP
- Denial of request to change the head of household
- Denial of request for interim disbursement of the escrow account
- Denial of request to complete the CoP
- Denial of a request for extension to the FSS CoP
- Denial of request for either interim or final distribution of escrow account
- Withholding of support services
- Termination of the FSS CoP
- Denial of request for termination with escrow
- Denial of transitional services



## Chapter 6

### ESCROW ACCOUNT

#### INTRODUCTION

The establishment of an escrow account is offered as a support and financial incentive to families for participation in the FSS program. Generally, under this incentive, the amount of an increase in family rent resulting from an increase in earned income is escrowed. That is, usually a family's rent or share of the rent goes up when the family experiences an increase in earned income. In the FSS program, this is still the case, and the part of the rent representing the increase is deposited into an account as an escrow credit. The funds from this escrow account then become available to FSS families upon successful completion of their contracts of participation and may become available earlier at the housing authority's option.

This chapter explains how the FSS escrow account works, including calculating the amount of the escrow credit, disbursing the funds, and the proper way for the PHA to manage and report on the account.

This chapter contains two parts:

Part I: The Escrow Account: This part provides an overview of how the escrow account works, including calculating the escrow credit and disbursing the funds upon completion of the contract of participation.

Part II: Escrow Fund Accounting and Reporting: This part describes the requirements for managing the escrow account, including both accounting and reporting requirements.

#### PART I: THE ESCROW ACCOUNT

##### 6-I.A. OVERVIEW

As an integral incentive to the FSS program, it is especially important to have clear-cut policy spelling out how the escrow account works. This includes policy regarding the calculation of the FSS credit amount, the disbursement of FSS account funds, the use of account funds for homeownership, and forfeiture of the FSS escrow account.

## **6-I.B. CALCULATING THE FSS CREDIT AMOUNT**

### **Determination of Baseline Annual Earned Income and Baseline Monthly Rent**

When determining the family's baseline annual earned income and the baseline monthly rent amounts for purposes of computing the FSS escrow credit, the PHA must use the amounts on the family's most recent income reexamination in effect.

For purposes of determining the FSS credit, baseline monthly rent for families paying an income-based rent is the family's Total Tenant Payment (TTP) as of the most recent reexamination of income, which occurs after the effective date of the FSS contract.

For families in public housing who are paying either flat or ceiling rent, family rent is the amount of the flat rent (including the applicable utility allowance) or ceiling rent (including any hardship discounts) as of the most recent reexamination of income, which occurs after the effective date of the FSS contract [24 CFR 984.103(b)].

### **Determination of the Escrow Credit**

To calculate the FSS credit, the PHA must accurately determine the family's baseline earned income and baseline monthly rent and compare those figures with the family's current earned income and current monthly rent. The FSS credit is the lesser of 30 percent of one-twelfth or 2.5 percent of the amount by which the family's current annual earned income exceeds the family's baseline annual earned income; or the increase in the family's monthly rent. The increase in the family's monthly rent is the lower of either the amount by which the family's current monthly rent exceeds the family's baseline monthly rent, or for Section 8 families, the difference between the baseline monthly rent and the current gross rent (*i.e.*, rent to owner plus any utility allowance) or the payment standard, whichever is lower [24 CFR 984.305(b)(2)].

### **Determination of Escrow Credit for Families Who Are Not Low Income**

FSS families who are not low-income families are not entitled to any FSS credit [24 CFR 984.305(b)(2)].

### **Increases in FSS Family Income [24 CFR 984.304]**

As described in the FSS credit calculations above, any increases in family earned income resulting in increases in family rent are deposited in the escrow account. For this reason, and because of the nature of the FSS account, any increase in the earned income of an FSS family during its participation in an FSS program may not be considered as income or an asset for purposes of eligibility of the FSS family for other benefits, or amount of benefits payable to the FSS family, under any other program administered by HUD.

### **Cessation of FSS Credit [24 CFR 984.305(b)(4)]**

The PHA will not make any additional credits to the FSS family's FSS account when the family has completed the contract of participation, when the contract of participation is terminated, when the family is not low-income, or during the time a Section 8 family is in the process of moving to a new unit.

## **6-I.C. DISBURSEMENT OF FSS ACCOUNT FUNDS**

### **Disbursement Before Completion of Contract**

The PHA may at its sole option disburse FSS account funds before completion of the contract if the family needs a portion of the funds for purposes consistent with the contract of participation and the PHA determines that the FSS family has fulfilled certain interim goals established in the contract of participation. These interim disbursements could include using the funds to assist the family in meeting expenses related to completion of higher education (e.g., college, graduate school) or job training, or to meet start-up expenses involved in creation of a small business [24 984.305(c)(2)(ii)].

#### PHA Policy

The PHA will disburse a portion of the FSS escrow account funds before completion of the CoP when the family has met certain interim goals, which means the family has met all its obligations under the CoP to date, including completion of the ITSP interim goals and tasks to date, and:

Requested funds are needed to complete an interim goal or task within the CoP and are not ongoing expenses.

#### **OR**

The family has demonstrated that the need for one-time payment of otherwise ongoing expenses such as rent, utilities, telephone, cell phone, pager, car payments, car maintenance, insurance, or childcare is needed to complete an interim goal, a final goal, or a task related to such goals.

### **Disbursement at Completion of Contract [24 CFR 984.305(c)(1) and 24 984.305(c)(2)(i)]**

When the contract has been completed, at or before the expiration date, according to regulation, the amount in the FSS account in excess of any amount the FSS family owes to the PHA under the public housing lease will be paid to the head of the FSS family. To receive the disbursement, the head of the FSS family must submit a certification (as defined in 24 CFR 984.103) to the PHA at the time of contract completion that, to the best of his or her knowledge and belief, no member of the FSS family is a recipient of welfare assistance.

### **Disbursement at Contract Termination [24 CFR 984.305(c)(3)]**

The PHA must disburse to the family its FSS escrow account funds in excess of any amount owed to the PHA under the public housing lease when the contract has been terminated in certain circumstances. These circumstances include services are not available to the family that the PHA and the FSS family have agreed are integral to the FSS family's advancement towards self-sufficiency, when the head of the FSS family becomes permanently disabled and unable to work during the period of the contract (unless the PHA and the FSS family determine that it is possible to modify the contract to designate a new head of the FSS family), or when an FSS family moves outside the jurisdiction of the PHA and continuation of the CoP after the move is not possible according to the regulations. In circumstances where a family is not able to continue in FSS after the move, it is also possible for the PHA and the family to determine if the contract can be modified to make completion and receipt of the escrow monies, possible. PHAs must be consistent in their determinations of whether a family has good cause for a termination with FSS escrow disbursement.

### **Verification of Family Certification at Disbursement**

The PHA must verify that the family has met the requirements of either interim, final, or termination of contract with escrow. Interim disbursement may only occur after the family has completed certain interim goals and funds are needed to complete other interim goals. Final disbursement can only occur after the family has completed the contract of participation and all members are welfare-free as defined by regulation. Disbursement at contract termination only occurs if the family circumstances involve an integral missing service, the disability of the FSS head of household, or an FSS family porting out of the jurisdiction of the PHA and HUD regulations do not allow continuation of the FSS contract. In each of these circumstances, it follows that the PHA may require verification for the completion of interim goals or the contract of participation.

At interim disbursement and before final disbursement of the FSS account funds to the family, the PHA may verify that the FSS family is no longer a recipient of welfare assistance by requesting copies of any documents which may indicate whether the family is receiving any welfare assistance, and by contacting welfare agencies [24 CFR 984.305(c)(4)].

HUD provides verification guidance in Notice PIH 2018-18. This guidance is mandatory for the Section 8 and public housing programs. The PHA's Administrative Plan or ACOP must contain verification policies following the hierarchy in this notice. The policies contained in the PHA's ACOP and Administrative Plan cover verification policies related to the FSS program in general. However, determining the need for interim disbursements may require more clarification as to what constitutes an acceptable third-party source.

### PHA Policy

The PHA will require verification that the FSS family has completed certain interim goals, has completed the contract of participation, has met the requirements for termination with disbursement of escrow and that the FSS family is no longer a recipient of welfare assistance, as relevant, before making interim and final disbursements.

The PHA will follow HUD's verification hierarchy set forth in Notice PIH 2018-18 to make these verifications, including the guidance therein regarding documentation.

However, the PHA will use a *knowledgeable professional* as a third-party source to verify the need for interim disbursements.

### **Succession to FSS Account [24 CFR 984.305(d)]**

FSS account funds should be disbursed to the head of the FSS family. However, if the head of the FSS family no longer resides with the other family members in Section 8 or public housing, the remaining members of the FSS family, after consultation with the PHA, have the right to designate another family member to receive the funds.

#### **6-I.D. USE OF FSS ACCOUNT FUNDS FOR HOMEOWNERSHIP**

According to regulation, a Section 8 or public housing FSS family may use their the final distribution of FSS account funds for the purchase of a home, including the purchase of a home under one of HUD's homeownership programs, or other federal, state, or local homeownership programs, unless the use is prohibited by the statute or regulations governing the particular homeownership program [24 CFR 984.305(e)].

Homeownership is just one option for use of the FSS account funds. PHAs may not restrict the use of escrow funds at contract completion [Notice PIH 93-24, C-13].

#### **6-I.E. USE OF FORFEITURE OF FSS ACCOUNT FUNDS**

Amounts in the FSS account will be forfeited when the contract of participation is terminated without escrow disbursement, or when the contract of participation is completed by the family (see Section 5-II.D. of this action plan) but the FSS family is receiving welfare assistance at the time of expiration of the term of the contract of participation, including any contract extension [24 CFR 984.305(f)(1)].

Use of forfeited escrow accounts is described in detail in Section 3-I.F. of this FSS Action Plan.

#### **Treatment of Forfeited FSS Account Funds**

FSS escrow account funds forfeited by the FSS family must be used by the PHA for the benefit of the FSS participants. These funds may only be used for support for FSS participants in good standing. These supports include transportation, childcare, training, testing fees, employment preparation costs, and other costs related to achieving obligations outlined in the CoP; or training for FSS Program Coordinator(s). Forfeited FSS escrow accounts may not be used for salary and fringe benefits of FSS Program Coordinators, general administrative costs of the FSS program, for housing assistance payments (HAP) expenses or public housing operating funds. Accounting Brief 26 describes the accounting requirements in the treatment of forfeited escrow accounts.

## **PART II: ESCROW FUND ACCOUNTING AND REPORTING**

### **6-II.A. OVERVIEW**

Regulations set forth specific requirements involving the accounting and reporting for the FSS escrow account. This part describes those requirements and the PHA policy necessary for managing the account from the PHA perspective.

### **6-II.B. ACCOUNTING FOR FSS ACCOUNT FUNDS**

When establishing FSS escrow accounts, the PHA must deposit the FSS account funds of all families participating in the PHA's FSS program into a single depository account for each (Section 8 or public housing) program. These funds are determined at each reexamination after the effective date of the contract and must be deposited each month to each family's subsidiary line item in the PHAs escrow account. In addition, the funds held in this account must be invested in one or more of the HUD-approved investments [24 CFR 984.305].

#### **Crediting the Escrow Account [24 CFR 984.305(a)(2)(i)]**

The total of the combined FSS account funds will be supported in the PHA accounting records by a subsidiary ledger showing the balance applicable to each FSS family. During the term of the contract of participation, the PHA must credit the amount of the FSS credit (see Section 6-I.B.) to each family's FSS account every month.

#### **Proration of Investment Income [24 CFR 984.305(a)(2)(ii)]**

Because the FSS account funds are to be invested, the investment income for those funds in the FSS account will also need to be credited to each family's account subsidiary line item. By regulation, these funds are to be prorated and credited to each family's FSS account based on the balance in each family's FSS account at the end of the period for which the investment income is credited.

#### PHA Policy

Each month the full amount of the investment income for funds in the Section 8 FSS account will be prorated and credited to each family's subsidiary line item.

## **Reduction of Amounts Due by FSS Family [24 CFR 984.305(a)(2)(iii)]**

### ***At Completion for Monies Owed to the PHA by the Family***

If the FSS family has not paid the family contribution towards rent, or other amounts, if any, due under the public housing or Section 8 lease, the balance in the family's FSS account shall be reduced by that amount (as reported by the owner to the PHA in the Section 8 FSS program) at the time of final disbursement of FSS escrow funds.

### ***Before Completion for Underreported Income***

#### ***At Baseline When the Family Joins FSS for Underreported Income***

If the FSS family has underreported income after the baseline annual income is set, the amount credited to the FSS account will be based on the income amounts originally reported by the FSS family.

#### ***After Baseline When Family is in FSS for Underreported Income***

If the FSS family is found to have under-reported income in the reexamination used to set the baseline, the escrow for the entire period of the CoP will be recalculated using the correct income to set the baseline and then calculate subsequent escrow amounts.

## **6-II.C. REPORTING ON THE FSS ACCOUNT**

Each PHA must make a report, at least once annually, to each FSS family on the status of the family's FSS account.

At a minimum, the report must include [24 CFR 984.305(a)(3)]:

- The balance at the beginning of the reporting period
- The amount of the family's rent payment that was credited to the FSS account, during the reporting period
- Any deductions made from the account for amounts due the PHA before interest is distributed
- The amount of interest earned on the account during the year
- The total in the account at the end of the reporting period

### **PHA Policy**

The PHA will provide FSS participants an annual statement on the status of their FSS escrow account.

## Chapter 7

### PORTABILITY IN SECTION 8 FSS PROGRAMS

#### INTRODUCTION

PHAs operating Section 8 FSS programs must be familiar with the rules and regulations regarding portability under the Section 8 program. As with the case of portability in the Section 8 program in general, the FSS family may move outside the initial PHA jurisdiction under portability procedures after the first 12 months of the FSS contract of participation [24 CFR 984.306].

In the event that an FSS family chooses to exercise portability, certain special requirements regarding the FSS program would apply. This chapter describes the obligations of the initial PHA, the receiving PHA, and the FSS family under portability, in addition to any special stipulations regarding portability in the FSS context.

This chapter contains two parts:

Part I: Portability in the FSS Program: This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

Part II: The Effects of Portability on FSS Regulations and Policy: This part describes the specific ways in which portability affects different aspects of the FSS program, including the escrow account, program termination, loss of the FSS account, and termination of Section 8 program assistance.

#### PART I: PORTABILITY IN THE FSS PROGRAM

##### 7-I.A. OVERVIEW

Portability is a statutory feature of the Section 8 program—it is included in the law. As such, PHAs operating a Section 8 FSS program need to understand the effects that portability will have on Section 8 FSS families and program operation. This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

### **7-I.B. DEFINITIONS**

For the purposes of portability with regards to the FSS program, the following definitions will be used [24 CFR 982.4, 24 CFR 984.306].

- *Initial PHA* means 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.
- *Receiving PHA* means a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA either absorbs the family into its program, including issuing a voucher and providing rental assistance to the family, or bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher.
- *Relocating FSS Family* refers to an FSS family that moves from the jurisdiction of a PHA at least 12 months after signing its contract of participation.

### **7-I.C. RESIDENCY REQUIREMENTS**

Families participating in a Section 8 FSS program are required to lease an assisted unit within the jurisdiction of the PHA that selected the family for the FSS program for a minimum period of 12 months after the effective date of the contract of participation. However, the initial PHA may approve a family's request to move outside its jurisdiction under portability during this period if the move is in accordance with the regulations at 24 CFR 982.353 [24 CFR 984.306(a)(1)].

#### PHA Policy

The PHA will approve a family's request to move outside its jurisdiction under portability during the first 12 months after the effective date of the contract of participation if the move is in accordance with the regulations for such moves at 24 CFR 982.353.

After the first 12 months of the FSS contract of participation, the FSS family may move outside the initial PHA jurisdiction under portability procedures regardless of PHA approval [24 CFR 984.306(a)(2)].

## **7-I.D. PORTABILITY REQUIREMENTS FOR FSS PARTICIPANTS**

### **Receiving PHA Administers an FSS Program [24 CFR 984.306(b)]**

Whether the receiving PHA bills the initial PHA or absorbs the FSS family into its Section 8 program, the receiving PHA must enroll an FSS family in good standing in its FSS program. However, if the receiving PHA is already serving the number of FSS families identified in its FSS Action Plan and determines that it does not have the resources to manage the FSS contract or the receiving PHA, the initial PHA may agree to the FSS family's continued participation in the initial PHA's FSS program. Prior to the PHAs agreeing to the continued participation, the initial PHA must determine that the relocating FSS family has demonstrated that, notwithstanding the move, it will be able to fulfill its responsibilities under the initial or a modified contract at its new place of residence.

#### PHA Policy

The PHA, as the initial housing authority, will agree to the participant's continued participation in their FSS program so long as the relocating family has demonstrated, with the assistance of the FSS Coordinator, that it will be able to fulfill its responsibilities under the initial or a modified contract at its new place of residence.

Where continued FSS participation is not possible, the initial PHA **must** clearly discuss the options that may be available to the family. Depending on the family's specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii), or termination of the FSS contract and forfeiture of escrow.

#### PHA Policy

The PHA will clearly discuss the options that are available to the family where continued FSS participation is not possible. Depending on the family's specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

### **Receiving PHA Does Not Administer an FSS Program [24 CFR 984.306(c)]**

If the receiving PHA does not administer an FSS program and the receiving PHA is absorbing the voucher, the FSS family may not continue participation in the FSS program. The initial PHA must clearly discuss the options that may be available to the family. These may include, but are not limited to, modification of the FSS contract, locating a receiving PHA that administers an FSS program, termination of the FSS contract with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

#### PHA Policy

The PHA will, as stated above, clearly discuss the options that may be available to the family where continued FSS participation is not possible. Depending on the family's contract specific circumstances, these options include modification of the FSS contract, locating a receiving housing authority that has the capacity to enroll the family in its FSS program, termination with FSS escrow disbursement in accordance with 24 CFR 984.303(k)(1)(iii), or termination of the FSS contract and forfeiture of escrow.

If the receiving PHA does not administer an FSS program and the receiving PHA is administering the voucher, the FSS family may continue participation in the FSS program. The initial PHA must clearly discuss the options that may be available to the family. These may include, but are not limited to, modification of the FSS contract, locating a receiving PHA that administers an FSS program, termination of the FSS contract with FSS escrow disbursement, or termination of the FSS contract and forfeiture of escrow.

#### PHA Policy

The PHA, as the initial housing authority, will agree to the participant's continued participation in their FSS program so long as the relocating family has demonstrated, with the assistance of the FSS Coordinator, that it will be able to fulfill its responsibilities under the initial or a modified contract at its new place of residence.

A chart summarizing portability impact on an FSS family follows.

## PORTABILITY FSS IMPACT ON FSS FAMILY

Family FSS Status		PHA FSS Status	Port Scenario	FSS Impact	PHA or HUD Decides
1.	FSS family ports	Receiving PHA has FSS program Initial PHA has FSS program	Billed	Family may continue participation in initial PHA's FSS program or Family may enroll in receiving PHA's FSS program	Determined by the initial PHA.  Determined by the receiving PHA.
2.	FSS family ports	Receiving PHA has FSS program Initial PHA has FSS program	Absorbed	Family may enroll in receiving PHA's FSS program or Family may continue participation at initial PHA's FSS program.	Determined by the receiving PHA.  Determined by the receiving PHA. *Agreement from the receiving PHA is needed because they would be responsible for most of the FSS tasks under this scenario.
3.	FSS family ports	Receiving PHA does not have FSS program  Initial PHA administers FSS program	Billed	Family may continue participation in initial PHA's FSS program	First, determined by the initial PHA. Then, receiving PHA must agree. *The receiving PHA would be responsible for submitting the FSS information for the family into IMS/PIC. Receiving PHA's determination must be based on an undue financial or administrative hardship such as the cost of adding an FSS module to their existing systems. If continued participation is agreed to by the PHAs, the initial PHA must provide the receiving PHA with timely and complete FSS addendum information and the receiving PHA is responsible for timely and accurate submission of the FSS information into IMS/PIC.
4.	FSS family ports	Receiving PHA does not have FSS program  Initial PHA administers FSS program	Absorbed	Family may not continue participation in initial PHA's FSS program	Determined by HUD. The receiving PHA would be responsible for managing escrow and the receiving PHA does not administer an FSS program.

### **Single Contract of Participation**

If the FSS family enrolls in the receiving PHA's FSS program, the receiving PHA will enter a new contract with the FSS family for the term remaining on the contract with the initial PHA. The initial PHA will end its contract with the family.

If the FSS family remains in the FSS program of the initial PHA, pursuant to this section, the contract executed by the initial PHA will remain as the contract in place.

### **Termination of FSS contract and Forfeiture of Escrow Account [984.306(e)]**

If an FSS family relocates to another jurisdiction and is unable to fulfill its obligations under the contract, including any modifications, the PHA, which is a party to the contract, **must terminate the FSS family from the FSS program**. The family's FSS escrow account will be forfeited.

Termination of FSS program participation and forfeiture of FSS escrow must be used only as a last resort after the PHA determines, in consultation with the family, that the family would be unable to fulfill its obligations under the contract after the move, that locating another receiving housing authority with a FSS program is not possible, that the current contract cannot be modified to allow for completion prior to porting, and that the current contract cannot be terminated with FSS escrow disbursement. When termination is the only option, the PHA must clearly notify the family that the move will result in the loss of escrow funds. The PHA must follow its policy for clearly notifying the FSS family of the forfeiture.

## **7-I.E. NEW FSS ENROLLMENT INTO RECEIVING PHA'S FSS PROGRAM**

### **Administering and Billing of the Voucher**

If a non-FSS family ports and the receiving PHA bills the initial PHA, the receiving PHA may, consistent with the receiving PHA's FSS enrollment policies, enroll a family that was not an FSS participant at the initial PHA into its FSS program if and only if the initial PHA manages an FSS program and agrees to such enrollment. If the receiving PHA bills the initial PHA, but the initial PHA does not manage an FSS program, the family may not enroll in the receiving PHA's FSS program.

#### PHA Policy

The PHA, as the receiving PHA, will enroll a non-FSS family who is porting when the initial PHA manages an FSS program, the initial PHA is being billed for the housing assistance payments, and the initial PHA agrees to the family enrolling in the receiving PHA's FSS program.

### **Absorption of the Voucher**

If the receiving PHA absorbs the family into its Section 8 program, the receiving PHA may, consistent with the receiving PHA's FSS enrollment policies, enroll a family that was not an FSS participant at the initial PHA into its FSS program.

## **PART II: REPORTING**

### **7-II.A. OVERVIEW**

Each PHA that carries out an FSS program shall submit to HUD, in the form prescribed by HUD, a report regarding its FSS program.

### **7-II.B. CONTENTS OF THE FSS REPORT [24 CFR 984.401]**

The report submitted to HUD must include a description of the activities carried out in the FSS program; a description of the effectiveness of the program in assisting families to achieve economic independence and self-sufficiency, including the number of families enrolled and graduated and the number of established escrow accounts and positive escrow balances; a description of the effectiveness of the program in coordinating resources of communities to assist families to achieve economic independence and self-sufficiency; and any recommendations by the PHA or the appropriate local Program Coordinating Committee for legislative or administrative action that would improve the FSS program and ensure the effectiveness of the program.

### **7-II.C. FAMILY SELF-SUFFICIENCY GRANT PROGRAM REVIEW PHA SELF-ASSESSMENT**

HUD provides a detailed checklist for PHAs to conduct their own self-assessment of their FSS program. The form is administered by the local field office and allows each PHA to gather concrete and comprehensive data covering aspects of the program from FSS Action Plans and Composite Scores through FSS program size, participants, and graduations to reductions in FSS grants and current Memoranda of Agreement with community partners. The detailed example of the FSS Self-Assessment is available at HUD's FSS Resource page, which can be located by searching "HUD FSS" on any browser.

