

PHA Plans

Streamlined 5-Year/Annual Version

U.S. Department of Housing and
Urban Development
Office of Public and Indian Housing

OMB No. 2577-0226
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This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937 that introduced 5-year and annual PHA Plans. The full PHA plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form allows eligible PHAs to make a streamlined annual Plan submission to HUD consistent with HUD's efforts to provide regulatory relief to certain PHAs. Public reporting burden for this information collection is estimated to average 11.7 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Information in PHA plans is publicly available.

Streamlined 5-Year Plan for Fiscal Years 2005 - 2010

Streamlined Annual Plan for Fiscal Year 2005

NOTE: This PHA Plan template (HUD-50075-SA) is to be completed in accordance with instructions contained in previous Notices PIH 99-33 (HA), 99-51 (HA), 2000-22 (HA), 2000-36 (HA), 2000-43 (HA), 2001-4 (HA), 2001-26 (HA), 2003-7 (HA), and any related notices HUD may subsequently issue. Full reporting for each component listed in the streamlined Annual Plan submitted with the 5-year plan is required.

Streamlined Five-Year PHA Plan Agency Identification

**PHA Name: Southeastern Minnesota Multi-County Housing and
Redevelopment Authority** **PHA Number: MN-197**

PHA Fiscal Year Beginning: (01/2005)

PHA Programs Administered:

- Public Housing and Section 8** **Section 8 Only** **Public Housing Only**
Number of public housing units: Number of S8 units: Number of public housing units:
Number of S8 units:

PHA Consortia: (check box if submitting a joint PHA Plan and complete table)

Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:	MN 197	Public Housing		110
Participating PHA 2:	MN 197	Section 8 Vouchers		370
Participating PHA 3:				

Public Access to Information

Information regarding any activities outlined in this plan can be obtained by contacting:

(select all that apply)

- Main administrative office of the PHA
- PHA development management offices
- PHA local offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plans and attachments (if any) are available for public inspection at: (select all that apply)

- Main administrative office of the PHA
- PHA development management offices
- PHA local offices
- Main administrative office of the local government
- Main administrative office of the County government
- Main administrative office of the State government
- Public library
- PHA website
- Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

- Main business office of the PHA
- PHA development management offices
- Other (list below)

Streamlined Five-Year PHA Plan

PHA FISCAL YEARS 2005 - 2010

[24 CFR Part 903.12]

A. Mission

State the PHA's mission for serving the needs of low-income, very low income, and extremely low-income families in the PHA's jurisdiction. (select one of the choices below)

- The mission of the PHA is the same as that of the Department of Housing and Urban Development: To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.
- The PHA's mission is: (state mission here)

B. Goals

The goals and objectives listed below are derived from HUD's strategic Goals and Objectives and those emphasized in recent legislation. PHAs may select any of these goals and objectives as their own, or identify other goals and/or objectives. Whether selecting the HUD-suggested objectives or their own, **PHAs ARE STRONGLY ENCOURAGED TO IDENTIFY QUANTIFIABLE MEASURES OF SUCCESS IN REACHING THEIR OBJECTIVES OVER THE COURSE OF THE 5 YEARS.** (Quantifiable measures would include targets such as: numbers of families served or PHAS scores achieved.) PHAs should identify these measures in the spaces to the right of or below the stated objectives.

HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.

- PHA Goal: Expand the supply of assisted housing
Objectives:
 - Apply for additional rental vouchers: **Will apply for Vouchers as they become available**
 - Reduce public housing vacancies: **Continue to market public housing as vacancies become available**
 - Leverage private or other public funds to create additional housing opportunities: **Currently working with the HOME Rental Rehabilitation Program (14 homes), building 12 single family homes, developing Housing TIF Districts in Wabasha, Goodhue & Winona Co.**
 - Acquire or build units or developments
 - Other (list below)
- PHA Goal: Improve the quality of assisted housing
Objectives:
 - Improve public housing management: **(91%) Maintain High Performance Standing**

- Improve voucher management: (SEMAP score **100%**) **Maintain High Performance Standing**

- Increase customer satisfaction: **Continue to address issues as they arise**
- Concentrate on efforts to improve specific management functions: **Continue to address issues as they arise**
(list; e.g., public housing finance; voucher unit inspections)
- Renovate or modernize public housing units: **Spent out modernization funds for 2001, 2002, 2003, currently working on 2004 project, setting parameters for 2005**
- Demolish or dispose of obsolete public housing:
- Provide replacement public housing:
- Provide replacement vouchers:
- Other: (list below)

- PHA Goal: Increase assisted housing choices
Objectives:
 - Provide voucher mobility counseling:
 - Conduct outreach efforts to potential voucher landlords
 - Increase voucher payment standards
 - Implement voucher homeownership program: **Four families currently participating, with hopes of 21 more families**
 - Implement public housing or other homeownership programs: **Provided First Time Home Buyer loans to 8 families**
 - Implement public housing site-based waiting lists:
 - Convert public housing to vouchers:
 - Other: **All persons inquiring about homeownership opportunities are encouraged to attend homebuyer training and counseling**

HUD Strategic Goal: Improve community quality of life and economic vitality

- PHA Goal: Provide an improved living environment
Objectives:
 - Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:
 - Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments: **Track current residents and guide new residents to appropriate developments to promote income mixing.**
 - Implement public housing security improvements: **Monitor and improve as needed**
 - Designate developments or buildings for particular resident groups (elderly, persons with disabilities)
 - Other: (list below)

HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals

- PHA Goal: Promote self-sufficiency and asset development of assisted households
Objectives:
- Increase the number and percentage of employed persons in assisted families:
Working families receive a local preference
 - Provide or attract supportive services to improve assistance recipients' employability: **Encouraging participation in the FSS program**
 - Provide or attract supportive services to increase independence for the elderly or families with disabilities.
 - Other: (list below)

HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans

- PHA Goal: Ensure equal opportunity and affirmatively further fair housing
Objectives:
- Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability: **Follow Equal Housing Opportunity regulations and Fair Housing Materials are distributed and discussed with all applicants and referrals are made to legal services as needed**
 - Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability: **Follow Equal Housing Opportunity regulations and Fair Housing Materials are distributed and discussed with all applicants**
 - Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required: **Follow Equal Housing Opportunity regulations and Fair Housing Materials are distributed and discussed with all applicants**
 - Other: (list below)

Other PHA Goals and Objectives: (list below)

- **Program information will be inserted in Section 8 HAP checks at least quarterly to keep landlords informed about program changes or reminders of program guidelines.**
- **All agency programs will be marketed on the agency web site. Site will be updated on a regular basis.**
- **Family Self Sufficiency program will be reviewed at each Section 8 briefing and applicants will be encouraged to apply.**
- **Section 8, Public Housing and FSS materials are distributed to all service providers in SE Minnesota**
- **SEMMCHRA staff work directly with Work Force Development and Social Services to coordinate efforts to assist FSS participants**

PHA Name:
HA Code:

5-Year Plan for Fiscal Years: 20__ - 20__

Annual Plan for FY 20__

- **Agency newsletter will be published and distributed in June and January**
- **Agency Annual Report will be completed by April each year**

Streamlined Annual PHA Plan PHA Fiscal Year 2005 [24 CFR Part 903.12(b)]

Table of Contents

Provide the following table of contents for the streamlined Annual Plan submitted with the Five-Year Plan, including all streamlined plan components, and additional requirements, together with the list of supporting documents available for public inspection.

A. ANNUAL STREAMLINED PHA PLAN COMPONENTS

- 1. Housing Needs
- 2. Financial Resources
- 3. Policies on Eligibility, Selection and Admissions
- 4. Rent Determination Policies
- 5. Capital Improvements Needs
- 6. Demolition and Disposition
- 7. Homeownership
- 8. Civil Rights Certifications (included with PHA Certifications of Compliance)
- 9. Additional Information
 - a. PHA Progress on Meeting 5-Year Mission and Goals
 - b. Criteria for Substantial Deviations and Significant Amendments
 - c. Other Information Requested by HUD
 - i. Resident Advisory Board Membership and Consultation Process
 - ii. Resident Membership on the PHA Governing Board
 - iii. PHA Statement of Consistency with Consolidated Plan
 - iv. (Reserved)
- 10. Project-Based Voucher Program
- 11. Supporting Documents Available for Review
- 12. FY 2005 Capital Fund Program and Capital Fund Program Replacement Housing Factor, Annual Statement/Performance and Evaluation Report
- 13. Capital Fund Program 5-Year Action Plan
- 14. Other (List below, providing name for each item)

B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE

Form HUD-50077, PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans;

Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.

For PHAs APPLYING FOR CAPITAL FUND PROGRAM (CFP) GRANTS:

Form HUD-50070, Certification for a Drug-Free Workplace;

Form HUD-50071, Certification of Payments to Influence Federal Transactions;

Form SF-LLL & SF-LLLa, Disclosure of Lobbying Activities.

Executive Summary (optional)

[903.7(r)]. If desired, provide a brief overview of the contents of the streamlined 5-Year/Annual Plan.

1. Statement of Housing Needs [24 CFR Part 903.12 (b), 903.7(a)]

A. Housing Needs of Families on the Public Housing and Section 8 Tenant- Based Assistance Waiting Lists

State the housing needs of the families on the PHA’s waiting list/s. **Complete one table for each type of PHA-wide waiting list administered by the PHA.** PHAs may provide separate tables for site-based or sub-jurisdictional public housing waiting lists at their option.

Housing Needs of Families on the PHA’s Waiting Lists			
Waiting list type: (select one)			
<input checked="" type="checkbox"/> Section 8 tenant-based assistance			
<input type="checkbox"/> Public Housing			
<input type="checkbox"/> Combined Section 8 and Public Housing			
<input type="checkbox"/> Public Housing Site-Based or sub-jurisdictional waiting list (optional)			
If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	609		332
Extremely low income <=30% AMI	502	82%	
Very low income (>30% but <=50% AMI)	94	15%	
Low income (>50% but <80% AMI)	13	2%	
Families with children	403	66%	
Elderly families	44	7%	
Families with Disabilities	92	15%	
Race/ethnicity White	421	69%	
Race/ethnicity Black	178	29%	
Race/ethnicity Amer Ind	6	1%	
Race/ethnicity Asian	4	1%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR			
2 BR			
3 BR			
4 BR			
5 BR			
5+ BR			
Is the waiting list closed (select one)? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes			
If yes:			
How long has it been closed (# of months)? May 1, 2004			
Does the PHA expect to reopen the list in the PHA Plan year? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			
Does the PHA permit specific categories of families onto the waiting list, even if generally closed?			
<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			

Housing Needs of Families on the PHA's Waiting Lists			
Waiting list type: (select one)			
<input type="checkbox"/> Section 8 tenant-based assistance			
<input checked="" type="checkbox"/> Public Housing			
<input type="checkbox"/> Combined Section 8 and Public Housing			
<input type="checkbox"/> Public Housing Site-Based or sub-jurisdictional waiting list (optional)			
If used, identify which development/subjurisdiction:			
	# of families	% of total families	Annual Turnover
Waiting list total	313		248
Extremely low income <=30% AMI	277	89%	
Very low income (>30% but <=50% AMI)	30	9%	
Low income (>50% but <80% AMI)	6	2%	
Families with children	197	63%	
Elderly families	12	4%	
Families with Disabilities	47	15%	
Race/ethnicity White	193	62%	
Race/ethnicity Black	112	36%	
Race/ethnicity Amer Ind	5	2%	
Race/ethnicity Asian	3	1%	
Characteristics by Bedroom Size (Public Housing Only)			
1BR	98	31%	
2 BR	127	41%	
3 BR	66	21%	
4 BR	19	6%	
5 BR	2		
5+ BR	1		
Is the waiting list closed (select one)? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			
If yes:			
How long has it been closed (# of months)?			
Does the PHA expect to reopen the list in the PHA Plan year? <input type="checkbox"/> No <input type="checkbox"/> Yes			
Does the PHA permit specific categories of families onto the waiting list, even if generally closed?			
<input type="checkbox"/> No <input type="checkbox"/> Yes			

B. Strategy for Addressing Needs

Provide a brief description of the PHA's strategy for addressing the housing needs of families on the PHA's public housing and Section 8 waiting lists **IN THE UPCOMING YEAR**, and the Agency's reasons for choosing this strategy.

(1) Strategies

Need: Shortage of affordable housing for all eligible populations

Strategy 1. Maximize the number of affordable units available to the PHA within its current resources by:

Select all that apply

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Reduce time to renovate public housing units
- Seek replacement of public housing units lost to the inventory through mixed finance development
- Seek replacement of public housing units lost to the inventory through section 8 replacement housing resources
- Maintain or increase section 8 lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction
- Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required
- Maintain or increase section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration
- Maintain or increase section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of program
- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies
- Other (list below)

Strategy 2: Increase the number of affordable housing units by:

Select all that apply

- Apply for additional section 8 units should they become available
- Leverage affordable housing resources in the community through the creation of mixed - finance housing
- Pursue housing resources other than public housing or Section 8 tenant-based assistance.
- Other: (list below)

Need: Specific Family Types: Families at or below 30% of median

Strategy 1: Target available assistance to families at or below 30 % of AMI

Select all that apply

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in public housing
- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based section 8 assistance
- Employ admissions preferences aimed at families with economic hardships
- Adopt rent policies to support and encourage work
- Other: (list below)

Need: Specific Family Types: Families at or below 50% of median

Strategy 1: Target available assistance to families at or below 50% of AMI

Select all that apply

- Employ admissions preferences aimed at families who are working
- Adopt rent policies to support and encourage work
- Other: (list below)

Need: Specific Family Types: The Elderly

Strategy 1: Target available assistance to the elderly:

Select all that apply

- Seek designation of public housing for the elderly
- Apply for special-purpose vouchers targeted to the elderly, should they become available
- Other: **Waiting list preference given to elderly and disabled**

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to Families with Disabilities:

Select all that apply

- Seek designation of public housing for families with disabilities
- Carry out the modifications needed in public housing based on the section 504 Needs Assessment for Public Housing
- Apply for special-purpose vouchers targeted to families with disabilities, should they become available
- Affirmatively market to local non-profit agencies that assist families with disabilities
- Other: (list below)

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Increase awareness of PHA resources among families of races and ethnicities with disproportionate needs:

Select if applicable

- Affirmatively market to races/ethnicities shown to have disproportionate housing needs
- Other: (list below)

Strategy 2: Conduct activities to affirmatively further fair housing

Select all that apply

- Counsel section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units
- Market the section 8 program to owners outside of areas of poverty /minority concentrations
- Other: (list below)

Other Housing Needs & Strategies: (list needs and strategies below)

(2) Reasons for Selecting Strategies

Of the factors listed below, select all that influenced the PHA's selection of the strategies it will pursue:

- Funding constraints
- Staffing constraints
- Limited availability of sites for assisted housing
- Extent to which particular housing needs are met by other organizations in the community
- Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the PHA
- Influence of the housing market on PHA programs
- Community priorities regarding housing assistance
- Results of consultation with local or state government
- Results of consultation with residents and the Resident Advisory Board
- Results of consultation with advocacy groups
- Other: (list below)

2. Statement of Financial Resources

[24 CFR Part 903.12 (b), 903.7 (c)]

List on the following table the financial resources that are anticipated to be available to the PHA for the support of Federal public housing and tenant based Section 8 assistance programs administered by the PHA during the Plan year. Note: the table assumes that Federal public housing or tenant based Section 8 assistance grant funds are expended on eligible purposes; therefore, uses of these funds need not be stated. For other funds, indicate the use for those funds as one of the following categories: public housing operations, public housing capital improvements, public housing safety/security, public housing supportive services, Section 8 tenant-based assistance, Section 8 supportive services or other.

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
1. Federal Grants (FY 20__ grants)		
a) Public Housing Operating Fund	\$125,000	
b) Public Housing Capital Fund	\$150,000	Operations, admin, rehab
c) HOPE VI Revitalization		
d) HOPE VI Demolition		
e) Annual Contributions for Section 8 Tenant-Based Assistance	\$1,400,000	
f) Resident Opportunity and Self-Sufficiency Grants		
g) Community Development Block Grant		
h) HOME		
Other Federal Grants (list below)		
2. Prior Year Federal Grants (unobligated funds only) (list below)		
3. Public Housing Dwelling Rental Income	\$240,000	
4. Other income (list below)	\$17,000	
Excess utilities	\$2,500	
Investments	\$3,000	
4. Non-federal sources (list below)		
Total resources	\$1,937,500	

3. PHA Policies Governing Eligibility, Selection, and Admissions

[24 CFR Part 903.12 (b), 903.7 (b)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete subcomponent 3A.

(1) Eligibility

a. When does the PHA verify eligibility for admission to public housing? (select all that apply)

- When families are within a certain number of being offered a unit: (state number)
- When families are within a certain time of being offered a unit: **Within 5 days of receiving application**
- Other: (describe)

b. Which non-income (screening) factors does the PHA use to establish eligibility for admission to public housing (select all that apply)?

- Criminal or Drug-related activity
- Rental history
- Housekeeping
- Other **Credit Check**

c. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?

d. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?

e. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

(2) Waiting List Organization

a. Which methods does the PHA plan to use to organize its public housing waiting list (select all that apply)

- Community-wide list
- Sub-jurisdictional lists
- Site-based waiting lists
- Other (describe)

b. Where may interested persons apply for admission to public housing?

- PHA main administrative office
- PHA development site management office
- Other **SEMMCHRA web site**

c. Site-Based Waiting Lists-Previous Year

1. Has the PHA operated one or more site-based waiting lists in the previous year? If yes, complete the following table; if not skip to d.

Site-Based Waiting Lists				
Development Information: (Name, number, location)	Date Initiated	Initial mix of Racial, Ethnic or Disability Demographics	Current mix of Racial, Ethnic or Disability Demographics since Initiation of SBWL	Percent change between initial and current mix of Racial, Ethnic, or Disability demographics

2. What is the number of site based waiting list developments to which families may apply at one time? ___

3. How many unit offers may an applicant turn down before being removed from the site-based waiting list? ___

4. Yes No: Is the PHA the subject of any pending fair housing complaint by HUD or any court order or settlement agreement? If yes, describe the order, agreement or complaint and describe how use of a site-based waiting list will not violate or be inconsistent with the order, agreement or complaint below:

d. Site-Based Waiting Lists – Coming Year

If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to subsection (3) **Assignment**

1. How many site-based waiting lists will the PHA operate in the coming year?

2. Yes No: Are any or all of the PHA’s site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?
If yes, how many lists?

3. Yes No: May families be on more than one list simultaneously?
If yes, how many lists?

4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?

- PHA main administrative office
- All PHA development management offices
- Management offices at developments with site-based waiting lists
- At the development to which they would like to apply
- Other (list below)

(3) Assignment

a. How many vacant unit choices are applicants ordinarily given before they fall to the bottom of or are removed from the waiting list? (select one)

- One
- Two
- Three or More

b. Yes No: Is this policy consistent across all waiting list types?

c. If answer to b is no, list variations for any other than the primary public housing waiting list/s for the PHA:

(4) Admissions Preferences

a. Income targeting:

- Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 40% of all new admissions to public housing to families at or below 30% of median area income?

b. Transfer policies:

In what circumstances will transfers take precedence over new admissions? (list below)

- Emergencies
- Over-housed
- Under-housed
- Medical justification
- Administrative reasons determined by the PHA (e.g., to permit modernization work)
- Resident choice: (state circumstances below)
- Other: (list below)

c. Preferences

1. Yes No: Has the PHA established preferences for admission to public housing (other than date and time of application)? (If "no" is selected, skip to subsection **(5) Occupancy**)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing)

- Owner, Inaccessibility, Property Disposition)
- Victims of domestic violence
- Substandard housing
- Homelessness
- High rent burden (rent is > 50 percent of income)

Other preferences: (select below)

- Working families and those unable to work because of age or disability
- Veterans and veterans' families
- Residents who live and/or work in the jurisdiction
- Those enrolled currently in educational, training, or upward mobility programs
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

- Date and Time **1**

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition) **1**
- Victims of domestic violence
- Substandard housing
- Homelessness **1**
- High rent burden

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability **1**
- Veterans and veterans' families
- Residents who live and/or work in the jurisdiction **1**
- Those enrolled currently in educational, training, or upward mobility programs **1**
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

4. Relationship of preferences to income targeting requirements:

- The PHA applies preferences within income tiers

- Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Occupancy

a. What reference materials can applicants and residents use to obtain information about the rules of occupancy of public housing (select all that apply)

- The PHA-resident lease
- The PHA's Admissions and (Continued) Occupancy policy
- PHA briefing seminars or written materials
- Other source (list)

b. How often must residents notify the PHA of changes in family composition? (select all that apply)

- At an annual reexamination and lease renewal
- Any time family composition changes
- At family request for revision
- Other (list)

(6) Deconcentration and Income Mixing

a. Yes No: Does the PHA have any general occupancy (family) public housing developments covered by the deconcentration rule? If no, this section is complete. If yes, continue to the next question.

b. Yes No: Do any of these covered developments have average incomes above or below 85% to 115% of the average incomes of all such developments? If no, this section is complete. If yes, list these developments on the following table:

Deconcentration Policy for Covered Developments			
Development Name	Number of Units	Explanation (if any) [see step 4 at §903.2(c)(1)(iv)]	Deconcentration policy (if no explanation) [see step 5 at §903.2(c)(1)(v)]
MN 197-004	14	121%	
MN 197-005	45	79%	

B. Section 8

Exemptions: PHAs that do not administer section 8 are not required to complete sub-component 3B. Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).

(1) Eligibility

a. What is the extent of screening conducted by the PHA? (select all that apply)

- Criminal or drug-related activity only to the extent required by law or regulation
- Criminal and drug-related activity, more extensively than required by law or regulation
- More general screening than criminal and drug-related activity (list factors):
- Other (list below)

b. Yes No: Does the PHA request criminal records from local law enforcement agencies for screening purposes?

c. Yes No: Does the PHA request criminal records from State law enforcement agencies for screening purposes?

d. Yes No: Does the PHA access FBI criminal records from the FBI for screening purposes? (either directly or through an NCIC-authorized source)

e. Indicate what kinds of information you share with prospective landlords? (select all that apply)

- Criminal or drug-related activity
- Other **Known current or prior addresses**

(2) Waiting List Organization

a. With which of the following program waiting lists is the section 8 tenant-based assistance waiting list merged? (select all that apply)

- None
- Federal public housing
- Federal moderate rehabilitation
- Federal project-based certificate program
- Other federal or local program (list below)

b. Where may interested persons apply for admission to section 8 tenant-based assistance? (select all that apply)

- PHA main administrative office
- Other **SEMMCHRA web site**

(3) Search Time

a. Yes No: Does the PHA give extensions on standard 60-day period to search for a unit?

If yes, state circumstances below: **If documented attempts to locate housing were unsuccessful**

(4) Admissions Preferences

a. Income targeting

- Yes No: Does the PHA plan to exceed the federal targeting requirements by targeting more than 75% of all new admissions to the section 8 program to families at or below 30% of median area income?

b. Preferences

1. Yes No: Has the PHA established preferences for admission to section 8 tenant-based assistance? (other than date and time of application) (if no, skip to subcomponent **(5) Special purpose Section 8 assistance programs**)

2. Which of the following admission preferences does the PHA plan to employ in the coming year? (select all that apply from either former Federal preferences or other preferences)

Former Federal preferences

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
 Victims of domestic violence
 Substandard housing
 Homelessness
 High rent burden (rent is > 50 percent of income)

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability
 Veterans and veterans' families
 Residents who live and/or work in your jurisdiction
 Those enrolled currently in educational, training, or upward mobility programs
 Households that contribute to meeting income goals (broad range of incomes)
 Households that contribute to meeting income requirements (targeting)
 Those previously enrolled in educational, training, or upward mobility programs
 Victims of reprisals or hate crimes
 Other preference(s) (list below)

3. If the PHA will employ admissions preferences, please prioritize by placing a "1" in the space that represents your first priority, a "2" in the box representing your second priority, and so on. If you give equal weight to one or more of these choices (either through an absolute hierarchy or through a point system), place the same number next to each. That means you can use "1" more than once, "2" more than once, etc.

- Date and Time **1**

Former Federal preferences:

- Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition) **1**
 Victims of domestic violence **1**
 Substandard housing

- Homelessness **1**
- High rent burden

Other preferences (select all that apply)

- Working families and those unable to work because of age or disability **1**
- Veterans and veterans' families
- Residents who live and/or work in your jurisdiction **1**
- Those enrolled currently in educational, training, or upward mobility programs **1**
- Households that contribute to meeting income goals (broad range of incomes)
- Households that contribute to meeting income requirements (targeting)
- Those previously enrolled in educational, training, or upward mobility programs
- Victims of reprisals or hate crimes
- Other preference(s) (list below)

4. Among applicants on the waiting list with equal preference status, how are applicants selected? (select one)

- Date and time of application
- Drawing (lottery) or other random choice technique

5. If the PHA plans to employ preferences for "residents who live and/or work in the jurisdiction" (select one)

- This preference has previously been reviewed and approved by HUD
- The PHA requests approval for this preference through this PHA Plan

6. Relationship of preferences to income targeting requirements: (select one)

- The PHA applies preferences within income tiers
- Not applicable: the pool of applicant families ensures that the PHA will meet income targeting requirements

(5) Special Purpose Section 8 Assistance Programs

a. In which documents or other reference materials are the policies governing eligibility, selection, and admissions to any special-purpose section 8 program administered by the PHA contained? (select all that apply)

- The Section 8 Administrative Plan
- Briefing sessions and written materials
- Other **Owners Manual**

b. How does the PHA announce the availability of any special-purpose section 8 programs to the public?

- Through published notices
- Other **Agency newsletter, cable TV, Briefings, SEMMCHRA web site**

4. PHA Rent Determination Policies

[24 CFR Part 903.12(b), 903.7(d)]

A. Public Housing

Exemptions: PHAs that do not administer public housing are not required to complete sub-component 4A.

(1) Income Based Rent Policies

Describe the PHA's income based rent setting policy/ies for public housing using, including discretionary (that is, not required by statute or regulation) income disregards and exclusions, in the appropriate spaces below.

a. Use of discretionary policies: (select one of the following two)

- The PHA will not employ any discretionary rent-setting policies for income-based rent in public housing. Income-based rents are set at the higher of 30% of adjusted monthly income, 10% of unadjusted monthly income, the welfare rent, or minimum rent (less HUD mandatory deductions and exclusions). (If selected, skip to sub-component (2))
- The PHA employs discretionary policies for determining income-based rent (If selected, continue to question b.)

b. Minimum Rent

1. What amount best reflects the PHA's minimum rent? (select one)

- \$0
 \$1-\$25
 \$26-\$50

2. Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies?

2. If yes to question 2, list these policies below:

- a. **Situations in which the income of the family has decreased because of changed circumstances, loss of employment, death in the family, and reduction in or loss of income or other assistance.**
- b. **An increase, because of changed circumstances, in the family's expenses for medical costs, child care, transportation, education or similar items; and;**
- c. **Such other situations as may be determined by the agency.**

c. Rents set at less than 30% of adjusted income

1. Yes No: Does the PHA plan to charge rents at a fixed amount or percentage less than 30% of adjusted income?

2. If yes to above, list the amounts or percentages charged and the circumstances under which these will be used below:

d. Which of the discretionary (optional) deductions and/or exclusions policies does the PHA plan to employ (select all that apply)

- For the earned income of a previously unemployed household member
- For increases in earned income
- Fixed amount (other than general rent-setting policy)
If yes, state amount/s and circumstances below:

- Fixed percentage (other than general rent-setting policy)
If yes, state percentage/s and circumstances below:

- For household heads
- For other family members
- For transportation expenses
- For the non-reimbursed medical expenses of non-disabled or non-elderly families
- Other (describe below)

e. Ceiling rents

1. Do you have ceiling rents? (rents set at a level lower than 30% of adjusted income) (select one)

- Yes for all developments
- Yes but only for some developments
- No

2. For which kinds of developments are ceiling rents in place? (select all that apply)

- For all developments
- For all general occupancy developments (not elderly or disabled or elderly only)
- For specified general occupancy developments
- For certain parts of developments; e.g., the high-rise portion
- For certain size units; e.g., larger bedroom sizes
- Other (list below)

3. Select the space or spaces that best describe how you arrive at ceiling rents (select all that apply)

- Market comparability study
- Fair market rents (FMR)
- 95th percentile rents
- 75 percent of operating costs
- 100 percent of operating costs for general occupancy (family) developments
- Operating costs plus debt service
- The "rental value" of the unit

Other (list below)

f. Rent re-determinations:

1. Between income reexaminations, how often must tenants report changes in income or family composition to the PHA such that the changes result in an adjustment to rent? (select all that apply)

- Never
- At family option
- Any time the family experiences an income increase
- Any time a family experiences an income increase above a threshold amount or percentage: (if selected, specify threshold) _____
- Other (list below)

g. Yes No: Does the PHA plan to implement individual savings accounts for residents (ISAs) as an alternative to the required 12 month disallowance of earned income and phasing in of rent increases in the next year? **If Requested**

(2) Flat Rents

a. In setting the market-based flat rents, what sources of information did the PHA use to establish comparability? (select all that apply.)

- The section 8 rent reasonableness study of comparable housing
- Survey of rents listed in local newspaper
- Survey of similar unassisted units in the neighborhood
- Other **Operating Costs**

B. Section 8 Tenant-Based Assistance

Exemptions: PHAs that do not administer Section 8 tenant-based assistance are not required to complete sub-component 4B. **Unless otherwise specified, all questions in this section apply only to the tenant-based section 8 assistance program (vouchers, and until completely merged into the voucher program, certificates).**

(1) Payment Standards

Describe the voucher payment standards and policies.

a. What is the PHA's payment standard? (select the category that best describes your standard)

- At or above 90% but below 100% of FMR
- 100% of FMR
- Above 100% but at or below 110% of FMR
- Above 110% of FMR (if HUD approved; describe circumstances below)

b. If the payment standard is lower than FMR, why has the PHA selected this standard? (select all that apply)

- FMRs are adequate to ensure success among assisted families in the PHA's segment of the FMR area

- The PHA has chosen to serve additional families by lowering the payment standard
- Reflects market or submarket
- Other (list below)

c. If the payment standard is higher than FMR, why has the PHA chosen this level? (select all that apply)

- FMRs are not adequate to ensure success among assisted families in the PHA's segment of the FMR area
- Reflects market or submarket
- To increase housing options for families
- Other (list below)

d. How often are payment standards reevaluated for adequacy? (select one)

- Annually
- Other **At least annually, more often if need be**

e. What factors will the PHA consider in its assessment of the adequacy of its payment standard? (select all that apply)

- Success rates of assisted families
- Rent burdens of assisted families
- Other **Operating Costs**

(2) Minimum Rent

a. What amount best reflects the PHA's minimum rent? (select one)

- \$0
- \$1-\$25
- \$26-\$50 **Board approved \$50 5/18/2004**

b. Yes No: Has the PHA adopted any discretionary minimum rent hardship exemption policies? (if yes, list below)

- a. **When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program;**
- b. **When the family would be evicted as a result of the imposition of the minimum rent requirement;**
- c. **When the income of the family has decreased because of changed circumstances, including loss of employment;**
- d. **When the family has an increase in expenses because of changed circumstances, for medical costs, childcare, transportation, education, or similar items;**
- e. **When a death has occurred in the family**
 1. **No hardship. If the Housing Authority determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent to the Housing Authority for the time of suspension.**
 2. **Temporary hardship. If the Housing Authority determines**

that there is a qualifying hardship but that it is of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the date of the family's request.

3. **Long-term hardship. If the Housing Authority determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.**
4. **Appeals. The family may use the informal hearing procedure to appeal the Housing Authority's determination regarding the hardship.**

5. Capital Improvement Needs

[24 CFR Part 903.12(b), 903.7 (g)]

Exemptions from Component 5: Section 8 only PHAs are not required to complete this component and may skip to Component 6.

A. Capital Fund Activities

Exemptions from sub-component 5A: PHAs that will not participate in the Capital Fund Program may skip to component 5B. All other PHAs must complete 5A as instructed.

(1) Capital Fund Program

- a. Yes No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 12 and 13 of this template (Capital Fund Program tables). If no, skip to B.
- b. Yes No: Does the PHA propose to use any portion of its CFP funds to repay debt incurred to finance capital improvements? If so, the PHA must identify in its annual and 5-year capital plans the development(s) where such improvements will be made and show both how the proceeds of the financing will be used and the amount of the annual payments required to service the debt. (Note that separate HUD approval is required for such financing activities.).

B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)

Applicability of sub-component 5B: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

(1) Hope VI Revitalization

- a. Yes No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to next

component; if yes, provide responses to questions on chart below for each grant, copying and completing as many times as necessary)

b. Status of HOPE VI revitalization grant (complete one set of questions for each grant)

Development name:

Development (project) number:

Status of grant: (select the statement that best describes the current status)

- Revitalization Plan under development
- Revitalization Plan submitted, pending approval
- Revitalization Plan approved
- Activities pursuant to an approved Revitalization Plan underway

c. Yes No: Does the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year? If yes, list development name/s below:

d. Yes No: Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year? If yes, list developments or activities below:

e. Yes No: Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement? If yes, list developments or activities below:

6. Demolition and Disposition

[24 CFR Part 903.12(b), 903.7 (h)]

Applicability of component 6: Section 8 only PHAs are not required to complete this section.

a. Yes No: Does the PHA plan to conduct any demolition or disposition activities (pursuant to section 18 or 24 (Hope VI) of the U.S. Housing Act of 1937 (42 U.S.C. 1437p) or Section 202/Section 33 (Mandatory Conversion) in the plan Fiscal Year? (If “No”, skip to component 7; if “yes”, complete one activity description for each development on the following chart.)

Demolition/Disposition Activity Description
1a. Development name: 1b. Development (project) number:
2. Activity type: Demolition <input type="checkbox"/> Disposition <input type="checkbox"/>
3. Application status (select one) Approved <input type="checkbox"/> Submitted, pending approval <input type="checkbox"/> Planned application <input type="checkbox"/>
4. Date application approved, submitted, or planned for submission: (DD/MM/YY)
5. Number of units affected:

6. Coverage of action (select one) <input type="checkbox"/> Part of the development <input type="checkbox"/> Total development
7. Timeline for activity: a. Actual or projected start date of activity: b. Projected end date of activity:

7. Section 8 Tenant Based Assistance--Section 8(y) Homeownership Program

[24 CFR Part 903.12(b), 903.7(k)(1)(i)]

(1) Yes No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If “No”, skip to the next component; if “yes”, complete each program description below (copy and complete questions for each program identified.)

(2) Program Description

a. Size of Program

Yes No: Will the PHA limit the number of families participating in the Section 8 homeownership option?

If the answer to the question above was yes, what is the maximum number of participants this fiscal year? 25

b. PHA established eligibility criteria

Yes No: Will the PHA’s program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria? If yes, list criteria below:

c. What actions will the PHA undertake to implement the program this year (list)?

(3) Capacity of the PHA to Administer a Section 8 Homeownership Program

The PHA has demonstrated its capacity to administer the program by (select all that apply):

a. Establishing a minimum homeowner down-payment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family’s resources.

b. Requiring that financing for purchase of a home under its Section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.

c. Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below). **MHFA**

- d. Demonstrating that it has other relevant experience (list experience below).
Agency has operated Section 8 Home Ownership Program since 2001

8. Civil Rights Certifications

[24 CFR Part 903.12 (b), 903.7 (o)]

Civil rights certifications are included in the *PHA Plan Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans*, which is submitted to the Field Office in hard copy—see Table of Contents.

9. Additional Information

[24 CFR Part 903.12 (b), 903.7 (r)]

A. PHA Progress in Meeting the Mission and Goals Described in the 5-Year Plan

(Provide a statement of the PHA's progress against the goals and objectives established in the previous 5-Year Plan for the period FY 2000 - 2005)

Goal One: SEMMCHRA has provided Rental Assistance Programs throughout the jurisdiction by providing assistance to families at or below 80% of the area median income. We have provided rehabilitation loans and grant programs that provide assistance to families at or below 115% of the area median income.

Goal Two: SEMMCHRA has published a newsletter twice a year and published an annual report, quarterly to educate the public on housing issues.

Goal Three: SEMMCHRA has inserted program information in HAP checks at least quarterly, provide new landlords with owners manual to educate landlords concerning agency programs and program guidelines.

Goal Four: SEMMCHRA has encouraged participants and applicants to participate in a self-sufficiency program by promoting the program at Section 8 and Public Housing briefings, by marketing the FSS program to all service providers annually, and encouraging FSS participants monthly to meet their interim and long term goals until they have successfully completed their contracts and become self-sufficient.

Goal Five: SEMMCHRA has a good working relationship with service providers (Work Force Development and Social Services) to assist families with their self-sufficiency goals. The FSS Coordinating Committee has met periodically to share ideas and obtain referrals.

Goal Six: SEMMCHRA has educated applicants concerning their responsibilities and fair housing rights by providing them with Fair Housing materials with the briefing packets, discussing fair housing at briefing, and referring families in need to legal services for fair housing issues.

Goal Seven: SEMMCHRA has provided homeownership opportunity information to participants and general public by publishing articles in the agency newsletter and provided area newspapers with information about the homeownership program; provided the necessary resources for families to obtain first time home buyer funding; promoted and provided workshops throughout the service area on home buyer training and or counseling.

Goal Eight: SEMMCHRA has applied for funding to increase affordable housing resources.

Goal Nine: SEMMCHRA has applied for and developed funding for rental rehabilitation loan and grant programs, to preserve and renovate existing multi-family units, that assist families at or below 115% of the area median income.

Goal Ten: SEMMCHRA has assisted low and moderate income families with repairs/renovations on

their homes by working with communities to develop rehabilitation loan and grant programs and applying for funds, that assist families at or below 115% of area median income.

Goal Eleven: SEMMCHRA has identified designated slum and blighted areas and encouraged revitalization by working with communities and applying for funds to eliminate slum and blighted areas.

Goal Twelve: SEMMCHRA has partnered with employers to provide affordable housing opportunities for families at or below 115% of the area median income, by working with local employers to identify housing needs and develop strategies for meeting those needs.

B. Criteria for Substantial Deviations and Significant Amendments

(1) Amendment and Deviation Definitions

24 CFR Part 903.7(r)

PHAs are required to define and adopt their own standards of substantial deviation from the 5-year Plan and Significant Amendment to the Annual Plan. The definition of significant amendment is important because it defines when the PHA will subject a change to the policies or activities described in the Annual Plan to full public hearing and HUD review before implementation.

- a. Substantial Deviation from the 5-Year Plan
 - a. **Additions of non-emergency work items or change in the use of replacement reserve funds under the Capital Fund;**
 - b. **Additions of new activities not included in the current Plan; and**
 - c. **Any change with regard to demolition or disposition, designation, homeownership programs or conversion activities.**
- b. Significant Amendment or Modification to the Annual Plan
 - a. **SEMMCHRA will consult with the Board of Directors to adopt the amendment or modification to the Plan;**
 - b. **SEMMCHRA will consult with the Resident Advisory Board;**
 - c. **Ensure consistency with the Consolidated Plan of the jurisdictions**
 - d. **Provide for a review of the amendments/modifications by the public during a 45 day public review period;**
 - e. **Will not implement the amendment or modification until notification of the amendment or modification is provided to HUD and approved by HUD.**

C. Other Information

[24 CFR Part 903.13, 903.15]

(1) Resident Advisory Board Recommendations

- a. Yes No: Did the PHA receive any comments on the PHA Plan from the Resident Advisory Board/s?

If yes, provide the comments below:

If Section 8 Contracts have to be terminated that a lottery system would be the most fair way to conduct the process.

- b. In what manner did the PHA address those comments? (select all that apply)

Considered comments, but determined that no changes to the PHA Plan were necessary.

The PHA changed portions of the PHA Plan in response to comments
List changes below:

Other: (list below)

(2) Resident Membership on PHA Governing Board

The governing board of each PHA is required to have at least one member who is directly assisted by the PHA, unless the PHA meets certain exemption criteria. Regulations governing the resident board member are found at 24 CFR Part 964, Subpart E.

a. Does the PHA governing board include at least one member who is directly assisted by the PHA this year?

Yes No:

If yes, complete the following:

Name of Resident Member of the PHA Governing Board: **Linda Brown**

Method of Selection:

Appointment
The term of appointment is (include the date term expires): **2 years expires 2/19/05**

Election by Residents (if checked, complete next section--Description of Resident Election Process)

Description of Resident Election Process

Nomination of candidates for place on the ballot: (select all that apply)

- Candidates were nominated by resident and assisted family organizations
- Candidates could be nominated by any adult recipient of PHA assistance
- Self-nomination: Candidates registered with the PHA and requested a place on ballot
- Other: (describe)

Eligible candidates: (select one)

- Any recipient of PHA assistance
- Any head of household receiving PHA assistance
- Any adult recipient of PHA assistance
- Any adult member of a resident or assisted family organization
- Other (list)

Eligible voters: (select all that apply)

- All adult recipients of PHA assistance (public housing and section 8 tenant-based assistance)
- Representatives of all PHA resident and assisted family organizations
- Other (list)

b. If the PHA governing board does not have at least one member who is directly assisted by the PHA, why not?

- The PHA is located in a State that requires the members of a governing board to be salaried and serve on a full time basis
- The PHA has less than 300 public housing units, has provided reasonable notice to the resident advisory board of the opportunity to serve on the governing board, and has not been notified by any resident of their interest to participate in the Board.
- Other (explain):

Date of next term expiration of a governing board member:

Name and title of appointing official(s) for governing board (indicate appointing official for the next available position):

Robert Beniak – SEMMCHRA Board Chairperson

(3) PHA Statement of Consistency with the Consolidated Plan

[24 CFR Part 903.15]

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary).

Consolidated Plan jurisdiction:

a. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply):

- The PHA has based its statement of needs of families on its waiting list on the needs expressed in the Consolidated Plan/s.
- The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)
- Other: (list below)

b. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments: (describe below)

(4) (Reserved)

Use this section to provide any additional information requested by HUD.

10. Project-Based Voucher Program

- a. Yes No: Does the PHA plan to “project-base” any tenant-based Section 8 vouchers in the coming year? If yes, answer the following questions.

- b. Yes No: Are there circumstances indicating that the project basing of the units, rather than tenant-basing of the same amount of assistance is an appropriate option?

If yes, check which circumstances apply:

- Low utilization rate for vouchers due to lack of suitable rental units
 Access to neighborhoods outside of high poverty areas
 Other (describe below:)

- c. Indicate the number of units and general location of units (e.g. eligible census tracts or smaller areas within eligible census tracts):

11. List of Supporting Documents Available for Review for Streamlined Five-Year/ Annual PHA Plans

PHAs are to indicate which documents are available for public review by placing a mark in the “Applicable & On Display” column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
X	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans.</i>	Standard 5 Year and Annual Plans; streamlined 5 Year Plans
X	State/Local Government Certification of Consistency with the Consolidated Plan.	5 Year Plans
X	Fair Housing Documentation Supporting Fair Housing Certifications: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions’ initiatives to affirmatively further fair housing that require the PHA’s involvement.	5 Year and Annual Plans
X	Housing Needs Statement of the Consolidated Plan for the jurisdiction(s) in which the PHA is located and any additional backup data to support statement of housing needs for families on the PHA’s public housing and Section 8 tenant-based waiting lists.	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
X	Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP] and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies
	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. <input type="checkbox"/> Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Public housing rent determination policies, including the method for setting public housing flat rents. <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
X	Schedule of flat rents offered at each public housing development. <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies (if included in plan, not necessary as a supporting document) and written analysis of Section 8 payment standard policies. <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Rent Determination
X	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance
X	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations
X	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-Sufficiency
X	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
X	Any policies governing any Section 8 special housing types <input checked="" type="checkbox"/> check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
	Consortium agreement(s).	Annual Plan: Agency Identification and Operations/ Management
X	Public housing grievance procedures <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures. <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures
X	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
X	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs
	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing.	Annual Plan: Capital Needs
X	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs
	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing
	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
X	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program (Section _____ of the Section 8 Administrative Plan)	Annual Plan: Homeownership
X	Public Housing Community Service Policy/Programs <input checked="" type="checkbox"/> Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency
	Cooperative agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies.	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan(s) for public housing and/or Section 8.	Annual Plan: Community Service & Self-Sufficiency
X	Section 3 documentation required by 24 CFR Part 135, Subpart E for public housing.	Annual Plan: Community Service & Self-Sufficiency
X	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency
X	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). <input checked="" type="checkbox"/> Check here if included in the public housing A & O Policy.	Pet Policy
X	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit
	Consortium agreement(s), if a consortium administers PHA programs.	Joint PHA Plan for Consortia
	Consortia Joint PHA Plans ONLY: Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection	Joint PHA Plan for Consortia
	Other supporting documents (optional). List individually.	(Specify as needed)

12. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary					
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority		Grant Type and Number Capital Fund Program Grant No: MN46P19750105 Replacement Housing Factor Grant No:			Federal FY of Grant: 2005
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input type="checkbox"/> Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	\$27,800.00			
3	1408 Management Improvements				
4	1410 Administration	\$17,200.00			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	\$2,000.00			
10	1460 Dwelling Structures	\$106,902.00			
11	1465.1 Dwelling Equipment—Nonexpendable	\$5,848.00			
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs	\$250.00			
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	\$160,000.00			
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security – Soft Costs				
25	Amount of Line 21 Related to Security – Hard Costs				

12. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part II: Supporting Pages								
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority			Grant Type and Number Capital Fund Program Grant No: MN46P19750105 Replacement Housing Factor Grant No:			Federal FY of Grant: 2005		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
AW	Operations	1406	1	\$27,800				
AW	Administrative	1410	1	\$17,200				
MN197005	Boiler, floors, cabinets, doors, plumbing, electrical, countertops, light fixtures, gutters and downs, roofs, decks and patio's siding and windows	1460	1	\$69,366				
MN197003	floors, cabinets, doors, plumbing, electrical, countertops, light fixtures, gutters and downs, roofs, decks and patio's siding and windows, furnaces, hot water heaters	1460	15	\$1,268				
MN197004	floors, cabinets, doors, plumbing, electrical, countertops, light fixtures, gutters and downs, roofs, decks and patio's siding and windows, furnaces, hot water heaters	1460	10	\$1,268				

12. Capital Fund Program and Capital Fund Program Replacement Housing Factor Annual Statement/Performance and Evaluation Report

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part II: Supporting Pages								
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority			Grant Type and Number Capital Fund Program Grant No: MN46P19750105 Replacement Housing Factor Grant No:			Federal FY of Grant: 2005		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
MN197006	Reb 2 units, Floors, cabinets, doors, plumbing, electrical, countertops, light fixtures, gutters and downs, roofs, decks and patio's siding and windows	1460	17	\$35,000				
MN197003	Splash blocks, Plantings,	1450	15	\$1268				
MN197004	Splash blocks, Plantings,	1450	10	\$1268				
MN197003	Stoves, refrig.,	1465	6	\$2,124				
MN197004	Stoves, refrig.,	1465	6	\$2,124				
MN197005	Stoves, refrig	1465	2	\$800				
MN197006	Stoves, refrig.,	1465	2	\$800				
MN197004	Splash blocks, landscaping, retaining walls, driveways	1450	10	\$500				
MN197005	Splash blocks, landscaping, retaining walls, driveways	1450	1	\$500				
MN197006	Splash blocks, landscaping, retaining walls, driveways	1450	16	\$500				
MN197003	Splash blocks, landscaping, retaining walls, driveways	1450	15	\$500				
MN197006	Relocation Costs	1495. 1		\$250				

13. Capital Fund Program Five-Year Action Plan

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part III: Implementation Schedule							
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority			Grant Type and Number Capital Fund Program No: MN46819750105 Replacement Housing Factor No:			Federal FY of Grant: 2005	
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
MN197003	06/30/07			06/30/09			
MN197004	06/30/07			06/30/09			
MN197005	06/30/07			06/30/09			
MN197006	06/30/07			06/30/09			
HA wide	06/30/07			06/30/09			

13. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan					
Part I: Summary					
PHA Name Southeastern Minnesota Multi-County Housing and Redevelopment Authority			<input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revision No:		
Development Number/Name/HA-Wide	Year 1	Work Statement for Year 2 FFY Grant: 2006 PHA FY: 2006	Work Statement for Year 3 FFY Grant: 2007 PHA FY: 2007	Work Statement for Year 4 FFY Grant: 2008 PHA FY: 2008	Work Statement for Year 5 FFY Grant: 2009 PHA FY: 2009
	Annual Statement				
MN197003 Scattered Sites		112,500			
MN197004 Scattered Sites			112,500		
MN197005 730 West 6 th St., Wabasha				112,500	
MN197006 713 West 6 th & family units Wabasha					112,500
CFP Funds Listed for 5-year planning		112,500	112,500	112,500	112,500
Replacement Housing Factor Funds					

13. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan						
Part II: Supporting Pages—Work Activities						
Activities for Year 1	Activities for Year 2 FFY Grant: 2006 PHA FY: 2006			Activities for Year: 3 FY Grant: 2007 PHA FY: 2007		
	Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	Estimated Cost
See Annual Statement	MN197003 Scattered Sites	Electric fixtures & systems, painting, landscaping, blinds, flooring, plumbing fixtures & systems, doors, windows, siding, decks, roofing, appliances, hot water heaters, furnaces, water softeners, cement work on sidewalks/driveways	\$112,500	MN197004 Scattered Sites	Electric fixtures & systems, painting, landscaping, blinds, flooring, plumbing fixtures & systems, doors, windows, siding, decks, roofing, appliances, hot water heaters, furnaces, water softeners, cement work on sidewalks/driveways	\$112,500
	Total CFP Estimated Cost		\$112,500			\$112,500

13. Capital Fund Program Five-Year Action Plan

Capital Fund Program Five-Year Action Plan					
Part II: Supporting Pages—Work Activities					
Activities for Year 4 FFY Grant: 2008 PHA FY: 2008			Activities for Year: 5 FFY Grant: 2009 PHA FY: 2009		
Development Name/Number	Major Work Categories	Estimated Cost	Development Name/Number	Major Work Categories	Estimated Cost
MN197005 Maple Grove “A” Building 730 West 6 th St., Wabasha	Electric fixtures & systems, painting, landscaping, blinds, flooring, plumbing fixtures & systems, doors, windows, siding, decks, roofing, appliances, hot water heaters, furnaces, water softeners, cement work on sidewalks/driveways, boiler, retaining wall, common area furniture	\$112,500	MN197006 713 West 6 th St., & family units Wabasha, MN	Flooring, cabinets, doors, plumbing fixtures & systems, fire safety, electric fixtures & systems, hallway upgrades, stoves, refrigerators, landscaping, driveways, painting, blinds, windows, siding, decks, roofing, hot water heaters, boilers, water softeners, furnaces, cement work on sidewalks and driveways, retaining wall, common area furniture	\$112,500
Total CFP Estimated Cost	\$112,500			\$112,500	

13. Capital Fund Program Five-Year Action Plan

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary					
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority		Grant Type and Number Capital Fund Program Grant No: MN46P19750104 Replacement Housing Factor Grant No:			Federal FY of Grant: 2004
Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 09/30/04 Final Performance and Evaluation Report					
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations	\$27,800.00		0	0
3	1408 Management Improvements				
4	1410 Administration	\$17,200.00		0	0
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement	\$2,000.00		0	0
10	1460 Dwelling Structures	\$107,536.00		0	0
11	1465.1 Dwelling Equipment—Nonexpendable	\$5,848.00		0	0
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs	\$250.00		0	0
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)	\$160,634.00		0	0
22	Amount of line 21 Related to LBP Activities				

13. Capital Fund Program Five-Year Action Plan

Annual Statement/Performance and Evaluation Report								
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary								
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority			Grant Type and Number Capital Fund Program Grant No: MN46P19750104 Replacement Housing Factor Grant No:				Federal FY of Grant: 2004	
Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:)								
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 09/30/04 Final Performance and Evaluation Report								
Line	Summary by Development Account	Total Estimated Cost				Total Actual Cost		
		Original	Revised	Obligated	Expended			
Annual Statement/Performance and Evaluation Report								
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority			Grant Type and Number Capital Fund Program Grant No: MN46P19750104 Replacement Housing Factor Grant No:			Federal FY of Grant: 2004		
Development Number Name/HA-Wide Activities	General Description of Major Work Categories	Dev. Acct No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised	Funds Obligated	Funds Expended	
AW	Operations	1406	Lump sum	\$27,800		0	0	
AW	Administrative	1410	Lump sum	\$17,200		0	0	
MN197003	Splash blocks, landscaping, retaining walls, driveways	1450		500		0	0	
MN197004	Splash blocks, landscaping, retaining walls, driveways	1450		500		0	0	
MN197005	Splash blocks, landscaping, retaining walls, driveways	1450		500				

13. Capital Fund Program Five-Year Action Plan

Annual Statement/Performance and Evaluation Report								
Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary								
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority			Grant Type and Number Capital Fund Program Grant No: MN46P19750104 Replacement Housing Factor Grant No:				Federal FY of Grant: 2004	
Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:)								
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 09/30/04 Final Performance and Evaluation Report								
Line	Summary by Development Account	Total Estimated Cost			Total Actual Cost			
		Original		Revised	Obligated	Expended		
MN197006	Splash blocks, landscaping, retaining walls, driveways	1450		500		0	0	
MN197003	floors, cabinets, doors, plumbing, electrical, countertops, light fixtures, gutters and downs, roofs, decks and patio's siding and windows, furnaces, hot water heaters	1460	10	\$1,268		0	0	
MN197004	floors, cabinets, doors, plumbing, electrical, countertops, light fixtures, gutters and downs, roofs, decks and patio's siding and windows, furnaces, hot water heaters	1460	10	\$1,268		0	0	
MN1977005	Boiler, floors, cabinets, doors, plumbing, electrical, countertops, light fixtures, gutters and downs, roofs, decks and patio's siding and windows, furnaces & hot water heaters.	1460	1	70,000		0	0	

13. Capital Fund Program Five-Year Action Plan

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary								
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority			Grant Type and Number Capital Fund Program Grant No: MN46P19750104 Replacement Housing Factor Grant No:				Federal FY of Grant: 2004	
Original Annual Statement <input type="checkbox"/> Reserve for Disasters/ Emergencies <input type="checkbox"/> Revised Annual Statement (revision no:) <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 09/30/04 Final Performance and Evaluation Report								
Line	Summary by Development Account		Total Estimated Cost			Total Actual Cost		
			Original		Revised	Obligated	Expended	
MN1977006	Rehab of 2 units, floors, cabinets, doors, plumbing, electrical countertops, light fixtures, gutters and downs, roofs, decks and patio's, siding and windows, furnaces and hot water heaters	1460	2		35,000	0	0	
MN197003	Stoves, refrigerators	1465	6		2124	0	0	
MN197004	Stoves, refrigerators	1465	6		2124	0	0	
MN197005	Stoves, refrigerators	1465	2		800	0	0	
MN197006	Stoves, refrigerators	1465	2		800	0	0	
MN197006	Relocation cost	1495.1			250	0	0	

13. Capital Fund Program Five-Year Action Plan

Annual Statement/Performance and Evaluation Report Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part III: Implementation Schedule							
PHA Name: Southeastern Minnesota Multi-County Housing and Redevelopment Authority			Grant Type and Number Capital Fund Program No: MN46819750104 Replacement Housing Factor No:				Federal FY of Grant: 2004
Development Number Name/HA-Wide Activities	All Fund Obligated (Quarter Ending Date)			All Funds Expended (Quarter Ending Date)			Reasons for Revised Target Dates
	Original	Revised	Actual	Original	Revised	Actual	
MN197003	09/13/2006			09/13/2008			
MN197004	09/13/2006			09/13/2008			
MN197005	09/13/2006			09/13/2008			
MN197006	09/13/2006			09/13/2008			
HA wide	09/13/2006			09/13/2008			
MN46P197005	09/13/2006			09/13/2008			

**Southeastern Minnesota Multi-County
Housing & Redevelopment Authority
134 East Second Street, Wabasha, MN 55981
651-565-2638**

**Five Year Plan
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**SOUTHEASTERN MINNESOTA MULTI-COUNTY
HOUSING AND REDEVELOPMENT AUTHORITY**

**STATEMENT OF POLICIES GOVERNING ADMISSION
TO AND CONTINUED OCCUPANCY OF
LOW RENT PUBLIC HOUSING
ELDERLY & FAMILY**

Notice to all holders of the policy:

The policies contained herein are subject to change, without prior notice to policy holders, by action of the Department of Housing and Urban Development and/or the Commissioners of the Southeastern Minnesota Multi-County Housing and Redevelopment Authority (SEMMCHRA). The regulations of the Department of Housing and Urban Development for the Section 8 program are incorporated by reference as if fully set forth herein.

Revisions Proposed July 21, 2004

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Part 1 - EQUAL OPPORTUNITY

1.1 Fair Housing

It is the policy of the SEMMCHRA to comply fully with all Federal, State, and local nondiscrimination laws; the Americans With Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

No person shall, on the ground of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the SEMMCHRA housing programs.

To further its commitment to full compliance with applicable Civil Rights laws, the SEMMCHRA will provide Federal/State/local information to applicants for and participants in the Section 8 Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the SEMMCHRA office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The SEMMCHRA will assist any family that believes they have suffered illegal discrimination by providing them copies of the housing discrimination form. The SEMMCHRA will also assist them in completing the form, if requested, and will provide them with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

1.2 Reasonable Accommodation

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the SEMMCHRA housing programs and related services. When such accommodations are granted they do not confer special treatment or advantage for the person with a disability; rather, they make the program fully accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines the SEMMCHRA will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the SEMMCHRA will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

1.3 Communication

The HRA will endeavor to have bilingual staff or access to people who speak languages other than English to assist non-English speaking families.

The HRA will provide the hearing impaired accessibility through the Minnesota Relay Service (MRS). The deaf, hard of hearing, or speech impaired person calls 1-800-627-3529. A communications assistant types everything you say to the deaf, hard-of-hearing, or speech impaired person and reads back what they type to you.

1.4 Questions to Ask in Granting the Accommodation

Anyone requesting an application will also have opportunity to request a Request for Reasonable Accommodation.

Notifications of reexamination, inspection, appointment, or eviction will include information about requesting a reasonable accommodation. Any

notification requesting action by the participant will include information about requesting a reasonable accommodation.

All decisions granting or denying requests will be in writing.

A. Is the requestor a person with disabilities? For this purpose the definition of disabilities is different than the definition used for admission. The Fair Housing definition used for this purpose is:

1. A person with a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment. (The disability may not be apparent to others, i.e., a heart condition).

If the disability is apparent or already documented, the answer to this question is yes. It is possible that the disability for which the accommodation is being requested is a disability other than the apparent disability. If the disability is not apparent or documented, the SEMMCHRA will obtain verification that the person is a person with a disability.

B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, the SEMMCHRA will obtain documentation that the requested accommodation is needed due to the disability. The SEMMCHRA will not inquire as to the nature of the disability.

C. Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet two criteria:

1. Would the accommodation constitute a fundamental alteration? The SEMMCHRA business is housing. If the request would alter the fundamental business that the SEMMCHRA conducts, that would not be reasonable. For instance, the SEMMCHRA would deny a request to have the SEMMCHRA do grocery shopping for the person with disabilities.
2. Would the requested accommodation create an undue financial hardship or administrative burden? Frequently the requested accommodation costs little or nothing. If the cost would be an undue burden, the SEMMCHRA may request a meeting with the individual to investigate and consider equally effective alternatives.

Generally the individual knows best what they need; however, the SEMMCHRA retains the right, to be shown how the requested accommodation enables the individual to access or use the SEMMCHRA programs or services.

If more than one accommodation is equally effective in providing access to the SEMMCHRA programs and services, the SEMMCHRA retains the right to select the most efficient or economic choice.

The cost necessary to carry out approved requests will be borne by the SEMMCHRA if there is no one else willing to pay for the modifications. If another party pays for the modification, the SEMMCHRA will seek to have the same entity pay for any restoration costs.

If the participant requests, as a reasonable accommodation, that he or she be permitted to make physical modifications to their dwelling unit, at their own expense, the request should be made to the property owner/manager. Written approval will be granted if modifications are necessary and completed by qualified individuals.

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

1.5 Application Sites

The HRA's application sites will be accessible to the public.

Application Options:

1. Regular office hours. Applications will be taken on-site, during regular office hours (8:00 to 4:30, Monday through Friday) on a walk in basis.
2. Applications by mail and fax. Applicants may request an application by calling 1-800-450-4501 or 651-565-2638 or fax 651-565-3836. The application will be mailed or faxed as requested. Completed applications may be returned by mail or fax (with original mailed in).

1.6 Family/owner Outreach

A. Communication

The SEMMCHRA will publicize the availability and nature of the Public Housing Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, and by other suitable means.

To reach persons, who cannot or do not read newspapers, the SEMMCHRA will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service personnel. The SEMMCHRA will also try to utilize public service **announcements**.

1.7 Right to Privacy

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

Any request for applicant or participant information will not be released unless there is a signed release of information request from the applicant or participant.

1.8 Required Postings

The SEMMCHRA will post in each of its offices in a conspicuous place and at a height easily read by all persons including persons with mobility disabilities, the following information:

A. Documents to be posted:

1. The Public Housing Administrative Plan
2. Notice of the status of the waiting list (opened or closed)
3. Address of all SEMMCHRA offices, office hours, telephone numbers, Minnesota Relay numbers, and hours of operation
4. Income Limits for Admission
5. Informal Review and Informal Hearing Procedures
6. Fair Housing Poster
7. Equal Opportunity in Employment Poster

Part 2 - ELIGIBILITY REQUIREMENTS

2.1 Profile Requirements:

To apply for Public Housing, applicants must be qualified under the income limits established by the U.S. Department of Housing and Urban Development (HUD), for the type of development, and for the size and type of unit available. Being eligible, however, is not an entitlement to housing. In addition, every applicant must meet the tenant selection criteria. The tenant selection criteria are used to demonstrate the applicant's suitability as a tenant using verified information on past behavior to document the applicant's ability, either alone or with assistance, to comply with the rules governing tenancy. The applicant will be judged on current and past behavior and practices related to tenancy and not on any attribute or behavior, which may be imputed to a particular group or category of persons of which an applicant may be a member. Applicants must also qualify in accordance with one or more of the following eligibility criteria:

- A. Income Limits - To be financially eligible, the applicant family must meet the income limits as defined in Appendix A; and
- B. Family - A Family consist of; (a) two or more persons who have a stable family-type relationship; (b) an elderly family; or (c) a displaced person, or
- C. Single Person - A person who lives alone or intends to live alone and who does not qualify as an elderly family or a displaced person or as the remaining member of a tenant Family, or
- D. Elderly Family - An elderly household consists of either a single person or family where the head or spouse is at least 62 years old, handicapped or disabled persons who are living together, or one or more such persons living with someone essential to their care or well-being, i.e., "a live-in aide or attendant," or
- E. Disabled - A disabled household includes a person who is under a disability as defined in Section 223 of the Social Security Act, or in Section 102(7) of the Development Disabilities Assistance and Bill of Rights Act [42 U.S.C. 6001(7)].

2.2 Non-Economic Eligibility Criteria:

A. Reference Checks

Criminal background, landlord, credit references will be checked for at least the prior five years. At least two landlord references will be checked. If the applicant does not have at least 2 landlord references, two personal references can be substituted. References must be of a professional association and known at least 1 year. No friends, family or extended relatives will be accepted as references.

In determining eligibility for admission, the Authority shall rely upon sources of information which may include, but not be limited to, the applicant (by means of interviews and/or home visits), Authority records, previous landlords, employers, family social workers, parole officers, court records, drug treatment centers, clinics, physicians or police departments where warranted by particular circumstances.

Any criminal records received will be maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

The HRA will provide the applicant or tenant with a copy of the criminal record (if requested) and an opportunity to dispute the accuracy or relevancy of the record, before any adverse action based on a criminal conviction record is taken.

In determining eligibility, the following factors shall apply:

- B. Whether the conduct of the applicant or member of applicants household, in present or prior housing has been such that admission to the program would adversely affect the health, safety, or welfare of other residents, or the physical environment, or the financial stability of the project. A record of any of the following may be sufficient cause for the Authority to deny eligibility:
1. an applicants past performance in meeting financial obligations especially rent;
 2. a record of disturbance of neighbors, destruction of property, or unacceptable living or housekeeping habits;
 3. a history of criminal activity involving crimes of physical violence to persons or property or a record of other criminal acts which would adversely affect the health, safety, or welfare of other residents.
 4. The ability of the applicant to meet the tenant's obligation of the lease. This involves the HRA judging whether the applicant:
 - a. could live independently or could be assisted in doing so with available resources.
 - b. The head of household must be at least 18 years of age to have legal capacity to enter into a lease. "Legal capacity" means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.
 5. Admission will be denied to any person who the HRA determines is illegally using a controlled substance, or that it has reasonable cause to believe that such household member's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
 6. Admission will be denied to any tenant evicted from federally assisted housing by reason of drug-related criminal activity, and shall not be eligible for federally assisted housing during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency.
 7. Admission will be denied for any household that includes any individual who is subject to a registration requirement under a State sex offender

registration program.

8. Occupancy will be permanently prohibited in any public housing dwelling unit by any person who has been convicted of manufacturing or otherwise producing methamphetamine in violation of any Federal or State law.
 9. Admission will be denied to any person for whom the HA determines that there is reasonable cause to believe that 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.
 - a. The HA may waive the requirement to deny admission in these circumstances if the person demonstrates to the HA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol and:
 1. has successfully completed a supervised drug or alcohol rehabilitation program (as applicable), and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);
 2. has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or
 3. is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).
 10. The applicant purposefully falsified, misrepresented or withheld information or submitted inaccurate and/or incomplete information on any applicant or during the interview related to eligibility, award of preference for admission, allowance, family composition or rent.
- C. Prior to the execution of any lease between the Authority and applicant, the Authority will certify in writing that the family meets all conditions governing eligibility.
- D. In the event of the receipt of unfavorable information with respect to an applicant, consideration shall be given to the time, nature, and extent of the applicant's conduct and to factors which might indicate a reasonable probability of favorable future conduct or financial prospects for example: evidence of rehabilitation; evidence of the applicant's family's participation in or willingness to participate in social service or other appropriate counseling service programs and availability of such programs; evidence of the applicant family's willingness to attempt to increase family income and the availability of training or employment programs in the locality.
1. The HRA must promptly notify any applicant determined ineligible for admission to a project of the basis for such determination, and must provide the applicant upon request, within a reasonable time after the determination is made, an opportunity for an informal hearing on such determination.

2. Annual Re-examinations: Once each year the Authority shall re-examine each Tenant Family related to the rent charge and size of the dwelling unit required in accordance with an established reexamination schedule.

E. Citizenship/Eligible Immigrant status

1. Limits on Assistance to Non-Citizens

Eligibility for federal housing assistance is limited to U.S. citizens and applicants who have eligible immigration status. Eligible immigrants are persons who qualify for one of the immigrant categories in Table 5-1. Persons claiming eligible immigration status must present appropriate immigration documents, which must be verified by the HRA through the Immigration and Naturalization Service (INS).

Every applicant household for (and participant in) the housing choice voucher program must sign a certification for every household member either claiming status as:

- a. A U.S. citizen, or
- b. An eligible alien, or
- c. Stating the individual's choice not to claim eligible status and acknowledge ineligibility.

2. Declaration of U.S. Citizenship

For household members claiming U.S. citizenship, only a declaration signed by the household member (or in the case of a minor child, parent) is required by regulation.

3. Documentation of Eligible Immigration Status

Non-citizens claiming eligible immigration status must provide all of the following evidence:

- a. The signed declaration of eligible immigration status;
- b. One of the INS documents specified in the rule
- c. A signed verification consent form describing transmission and use of the information obtained.

Families in which all members are citizens or have eligible immigration status are eligible for full housing assistance.

An applicant family without any citizens or members with eligible immigration status is not eligible for assistance.

Non-citizen students are not eligible to receive housing assistance. When a non-citizen spouse and / or minor children accompany a non-citizen student, those family members are also ineligible for assistance. However, citizen spouses and the children of the citizen spouse and non-citizen student are eligible for assistance. When a household includes eligible and ineligible members it is treated as a "mixed family" as described below. A non-citizen student is defined as a bona fide student who:

- a. Is pursuing a course of study in this country;
- b. Has a residence in another country outside of the United States that the person has no intention of abandoning; and
- c. Is admitted to this country temporarily, solely for the purpose of pursuing a course of study.

4. Mixed Families

Families that include members who are citizens or have eligible immigration status and members who do not have eligible immigration status (or elect not to state that they have eligibility status) are referred to as "mixed families".

A mixed family is eligible for prorated assistance. Prorated assistance is a calculation of subsidy based on the number of members who are citizens or have eligible immigration status.

5. Notification Requirements

At the time an application is filed, the HRA must notify all applicants for assistance about the rule restricting assistance based on citizenship status and of the requirement to submit documentation of eligible status or to elect not to claim eligible status. The HRA notice must state the following:

- a. Financial assistance is contingent upon the appropriate submission and verification of documentation of citizenship or eligible immigration status.
- b. The types of documentation required and time period for submission.

As appropriate, assistance will be prorated, denied, or terminated, based on the final determination of ineligibility after all appeals and, if requested, an informal hearing.

6. Submission of Documentation

- a. Documentation must be submitted by the time of the eligibility determination. Once documents have been submitted and verified for an individual, citizenship documentation for the individual will not need to be collected again.
- b. If the family certifies that the required evidence is temporarily unavailable and it needs more time, the HRA may provide an extension of up to 30 days to submit evidence of eligible status, if the family has submitted the required declaration of eligible immigration status. To obtain an extension, the family must also certify that prompt and diligent efforts will be undertaken to obtain the evidence.
- c. The HRA must inform the family, in writing, whether its request for a time extension of has been granted or denied. If granted, the notice must state the specific period of the extension. If the extension request is denied, the notice must explain the reasons for the denial.
- d. If all required documents have been provided by the family, assistance may not be denied or delayed solely because verification or requested hearings have not been completed.
- e. If required all family members have not submitted documents, only prorated assistance may be provided until all family members have submitted the required documents.
- f. New family members in currently participating households must submit documentation at the first interim or annual reexamination following occupancy.
- g. If a HRA suspects that an applicant or tenant has misrepresented his or her immigration status or altered or forged documents, it may refer the case to HUD's Office

of Inspector General for investigation.

- h. HRA must apply all procedures in a uniform manner. No applicant or resident may be asked for additional information based on country of origin, speech, accent, language, or any other personal characteristic of the applicant or family member. Failure to maintain this performance standard could be a serious violation of the Fair Housing Act.

7. Verification of Eligible Immigration Status

The HRA must conduct primary verification of eligible immigration status through the INS automated system, Systematic Alien Verification for Entitlements (SAVE). The HRA must take the following steps to access SAVE.

- a. Complete and submit a Primary Verification User Access Code Agreement form before using SAVE for the first time.
- b. Each time, access the SAVE system by calling 1-800-365-7620.
- c. Use the assigned access code to enter the required information. One of the following messages will be received:
 - 1. INS Status confirmed; or
 - 2. Institute Secondary Verification.
- d. If the message is "Institute Secondary Verification", the HRA must request a manual records search by completing form G-845S, Document Verification Request. This form must be sent to the INS along with photocopies of the original INS documents supplied by the applicant or currently assisted household member within 10 days of receiving the "Institute Secondary Verification" message.
- e. The HRA is not liable for any action, delay, or failure of the INS in conducting the automated or manual verification.

8. Delay, Denial, or Termination of Assistance

- a. The HRA may not delay, deny, or terminate assistance to an applicant or currently assisted household if any of the following circumstance apply:
 - 1. appropriate INS documents;
 - 2. The documents were submitted to the INS on a timely basis, but the verification process has not been completed;
 - 3. The family member in question moves;
 - 4. The INS appeals process has not been completed;
 - 5. Assistance is prorated;
 - 6. Deferral of termination of assistance is granted; or
 - 7. For a program participant, the informal hearing process is not complete.
- b. The HRA must terminate assistance for at least 24 months if it determines that a family has knowingly permitted an ineligible person to live in the assisted unit without informing the HRA.

Assistance may be denied or terminated when:

- 1. Declaration of citizenship or eligible immigration status is not submitted by the specified deadline or any extension;

2. Required documentation is submitted but INS primary and secondary verification does not verify immigration status and family does not pursue INS or HRA appeal; or
 3. Required documentation is submitted but INS primary and secondary verification does not verify immigration status, and INS or HRA appeal is pursued but decision(s) are rendered against the family.
- c. When the HRA decides to deny or terminate assistance, it must send a written notice to the household, which includes the following:

1. A statement that financial assistance will be denied or terminated and an explanation of why;
2. Notification that the family may be eligible for prorated assistance if it is a mixed family;
3. In the case of a currently assisted household, the procedures for obtaining relief under the preservation of families provision (e.g. temporary deferral or proration of assistance);
4. The right to appeal the results of the secondary verification to the INS; and
5. The right to request an informal hearing from the HRA in lieu of an INS appeal or after an appeal.

In the case of applicants, the notice may advise that assistance may not be delayed until the conclusion of the INS appeal process, but may be delayed during the informal hearing process.

d. Social Security Number Documentation

All family members 6 years of age and older must provide a Social Security Number or certify that they do not have one, as a condition of admission and continued assistance. A person who has not been assigned a SSN must execute a certification stating that no SSN has been assigned. This process need occur only one time for each family member. New family members age six or older should be required to disclose or certify at the time the change in family composition is reported to the HRA or the next annual re-certification after a family member reaches age six. A parent or guardian must provide the certification for a minor. The HRA will document the SSN disclosed by each family member. If the family member cannot produce an original Social Security card issued by the Social Security Administration, the HRA may accept one of the following as verification if it includes the SSN:

1. A driver's license with SSN
2. Identification card issued by a federal, state, or local agency.
3. Identification card issued by a medical insurance company or provider (including Medicare and Medicaid).
4. Identification card issued by an employer or trade union.
5. Earnings statement on payroll stubs.
6. Bank statements.
7. IRS form 1099.
8. Benefit award letters from government agencies.
9. Retirement benefit letter.
10. Life insurance policies.
11. Court records (real estate, tax notices, marriage and divorce, judgment, or bankruptcy records).

If applicants cannot produce an original Social Security card, they must certify that the document provided is complete and

accurate.

2.3 INELIGIBLE APPLICANTS

- A. An applicant is considered ineligible if:
1. The household members, regardless of age, fail to submit evidence of citizenship or eligible immigration status.
 2. The household's annual gross income is greater than the applicable income limit established by HUD.

3. Management determines that the applicant and/or household member(s) do not meet the tenant selection criteria or the criteria under which the property was developed.
 - a. Any ineligible applicants admitted under the following limitations must pay contract rent:
 - i. If the Lease Agreement was signed on or after October 1, 1981; i.e., Post '81 Universe, applicants must be of very low income status. Owners may not, without written approval, admit income ineligible applicants.
 - ii. If the Lease Agreement was signed before October 1, 1981; i.e., Pre '81 Universe, applicants must be of low or very low income status. Owners may not, without written approval, admit income ineligible applicants.

2.4 REJECTING APPLICANTS

- A. Applicants may be rejected if:
 1. The applicant is ineligible;
 2. The applicant's household characteristics are not appropriate for the size or type of units that are available;
 3. The applicant does not meet the owner's resident selection criteria;
 4. The applicant fails to disclose and document all Social Security Numbers or execute a certification when numbers have not been assigned;
 5. The applicant was/is unable to fulfill obligations and comply with all terms of the previous or current Lease/Rental Agreement;
 6. The applicant has a record of chronic late, underpayment or nonpayment of rightful obligations, including rent and utilities;
 7. The applicant has a record of disruptive behavior;
 8. The applicant has a record of destruction of property;
 9. The applicant has a record of poor living or housekeeping habits;
 10. The applicant has a history of criminal activity involving crimes of physical violence to persons or property, or a record of other criminal acts which may endanger the health, safety or welfare of other residents;
 11. Have a family member who was evicted from assisted housing within three years of the projected date of admission because of drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent

to manufacture, sell, distribute a controlled substance.

12. Have a family member who is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The SEMMCHRA may waive this requirement if:
 - a. The person demonstrates to the SEMMCHRA satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
 - b. The person has successfully completed a supervised drug or alcohol rehabilitation program;
 - c. The person has otherwise been rehabilitated successfully; or
 - d. The person is participating in a supervised drug or alcohol rehabilitation program.

In determining whether to deny assistance based on drug-related criminal activity or violent criminal activity, the HRA may deny assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested or convicted.

13. Occupancy will be permanently prohibited in any public housing dwelling unit by any person who has been convicted of manufacturing or otherwise producing methamphetamine in violation of any Federal or State law.
14. Prohibit admission to such housing for any household that includes any individual who is subject to a lifetime registration requirement under a State sex offender registration program.
15. The applicant has been evicted for material non-compliance, or “other good cause”, from current or previous housing;
16. The applicant has a history of activities that would be injurious to the reputation of the property and/or be likely to cause an increase in the rate of hazard insurance on the property;
17. The applicant purposefully falsified, misrepresented or withheld information or submitted inaccurate and/or incomplete information on any applicant or during the interview related to eligibility, award of preference for admission, allowance, family composition or rent;
18. The applicant has current or recent problems involving chemical or drug dependency resulting in any of the other reasons for non-selection; and/or
19. The applicant refused to comply with housing program requirements, policies and/or procedures.

Note: The term “applicant” is inclusive of the applicant and all other household members. Unwitting

errors that do not secure an advantage with regard to program eligibility preferences, or rent will not be used as a basis to reject applicants.

Applicants may be denied particular units and placed on a waiting list if the household's characteristics are not appropriate for the size or type of units that are available at that time.

2.5 MITIGATING CIRCUMSTANCES

- A. HRA will hold a second interview with any applicant known to have a disability or handicap who cannot meet one or more of the tenant screening criteria. The purpose of this interview is to determine whether it is possible to admit the applicant through consideration of mitigating circumstances or by applying reasonable accommodation.

Mitigating circumstances would be facts, (that can be verified), that would overcome or outweigh information gathered in the tenant screening process.

Acceptable evidence of mitigating circumstances may include the following:

1. Verification that unacceptable past behavior is either no longer in effect or otherwise controlled.
2. Applicants who claim unacceptable behavior resulting from alcoholism or drug addiction must verify that they are not currently engaging in alcohol abuse or the use of illegal drugs. Current abuse is defined as use more than 120 days prior to the date of application.

During the period that the applicant is claiming no current use, the applicant's behavior in the previously unacceptable area must have shown improvement. Unimproved behavior shall be taken to construe that either the applicant's unacceptable behavior was not caused by alcohol or drug abuse, or the applicant is still engaging in alcohol or drug abuse. Lack of improvement in a previously unacceptable area shall result in a rejected application.

HRA shall also have the right to request further information reasonably needed to verify a mitigating circumstance, even if such information is of a medically confidential nature. If the applicant refuses to provide or give access to such further information, HRA will give no further consideration to the mitigating circumstances.

2.6 SIGNING CONSENT FORMS

1. In order to be eligible each member of the family who is at least 18 years of age, and each family head and spouse regardless of age, shall sign one or more consent forms.
2. The consent form must contain, at a minimum, the following:
 - a. A provision authorizing HUD and the SEMMCHRA to obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy;

- b. A provision authorizing HUD or the SEMMCHRA to verify with previous or current employers income information pertinent to the family's eligibility for or level of assistance;
- c. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and
- d. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

Part 3 - DETERMINATION OF FAMILY INCOME

3.1 Income, Exclusions From Income, Deductions From Income

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

3.2 Income

A. Annual income means all amounts, monetary or not, that:

1. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
3. Are not specifically excluded from annual income.

B. Annual income includes, but is not limited to:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received

in a lump sum amount or in prospective monthly amounts are excluded.)

5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)
6. Welfare assistance.
 - a. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income consists of:
 - i. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
 - ii. The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this requirement is the amount resulting from one application of the percentage.
 - b. If the amount of welfare is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud.
 - c. If the amount of welfare assistance is reduced as a result of a lifetime time limit, the reduced amount is the amount that shall be counted.
7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
8. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)

3.3 Exclusions from income

A. Annual income does not include the following:

1. Income from employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses

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

B. These exclusions include:

1. The value of the allotment of food stamps
2. Payments to volunteers under the Domestic Volunteer

- Services Act of 1973
- 3. Payments received under the Alaska Native Claims Settlement Act
- 4. Income from sub marginal land of the U.S. that is held in trust for certain Indian tribes
- 5. Payments made under HHS's Low-Income Energy Assistance Program
- 6. Payments received under the Job Training Partnership Act
- 7. Income from the disposition of funds of the Grand River Band of Ottawa Indians
- 8. The first \$2000 per capita received from judgment funds awarded for certain Indian claims
- 9. Amount of scholarships awarded under Title IV including Work-Study
- 10. Payments received under the Older Americans Act of 1965
- 11. Payments from Agent Orange Settlement
- 12. Payments received under the Maine Indian Claims Act
- 13. The value of childcare under the Child Care and Development Block Grant Act of 1990
- 14. Earned income tax credit refund payments
- 15. Payments for living expenses under the Ameri-Corps Program
- 16. Payments by the Indian Claims commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation.
- 17. Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran.
- 18. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act; and
- 19. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998.

C. Earned Income Disallowance for persons with disabilities

- 1. Initial twelve month exclusion
- 2. Second twelve month exclusion and HRA-in
- 3. Maximum four year disallowance

3.4 Annualizing Anticipated Annual Income

- A. Once the HRA knows and verifies all sources of income, the HRA will convert reported income to an annual figure. Convert periodic wages to annual income using the following:
 - 1. Multiply hourly wages by the number of hours worked per year (2080 hours for full-time employment with a 40 hour work week and no overtime).
 - 2. Multiply weekly wages by 52.
 - 3. Multiply bi-weekly wages (paid every other week) by 26.
 - 4. Multiply semi-month wages (paid twice each month) by 24.
 - 5. Multiply monthly wages by 12.
- B. Generally the HRA will use current circumstances to anticipate annual income, unless verification forms indicate an imminent change (e.g., verification indicates an increase of 2.4% in Social Security benefits beginning on January 1, 2004).
- C. The HRA will use one of two ways to annualize the anticipated annual income:
 - 1. Calculating projected annual income by annualizing current income (and subsequently conducting an interim re-examination if income changes); or
 - 2. Using information available to average anticipated income from all known sources when the sources are expected to change during the year (example: school

3.5 Temporary Income

1. Temporary, non-recurring, or sporadic income (including gifts) is not counted.
2. Income from a Business (Includes Self-Employment Income)
3. Include the net income from operation of a business or profession.
4. Generally, net income equals gross income less business expenses.
5. Straight-line depreciation of capital assets used in the business or profession may be deducted as a business expense. Interest payments on business loans, and all business expense other than expenses for expansion or capital improvements. Are also eligible business expenses. However, expenditures for amortization of capital indebtedness may not be deducted.
6. Withdrawal of cash or assets from a business is counted as income except when the withdrawal is for reimbursement of amounts the family has invested in the business.

3.6 Treatment of Reductions in Welfare Assistance

1. A participant does not receive a reduced family share when the family's welfare grant is reduced as the result of fraud, failure to participate in an economic self-sufficiency program, or failure to comply with a work requirement program.
2. Before determining annual income when there has been a reduction in the welfare grant, the HRA must receive written verification from the welfare agency that the benefit reduction was caused by noncompliance or fraud before denying a family's request for a re-examination of income and rent reduction.
3. The prohibition against reducing rent does not apply when:
 - a. welfare benefits are lost because the lifetime limit on receipt of benefits has expired;
 - b. or in a situation where the family has complied with welfare program requirements but cannot obtain employment;
 - c. When the family's welfare is being reduced for failure to comply with welfare department requirements other than participation in economic self sufficiency program;
 - d. When a family's benefit is reduced because of an earlier, inadvertent overpayment.

3.7 Income of confined Family Member

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

3.8 DEDUCTIONS FROM ANNUAL INCOME

A. The following deductions will be made from annual income:

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

Reasonable child care expenses for the care of children including foster children, age 12 and younger, may be deducted from annual income if all of the following are true:

- a. The care is necessary to enable a family member to work, look for work, or further his/her education (academic or vocational);
- b. The expense is not reimbursed by an agency or individual outside the household; and
- c. The expenses incurred to enable a family member to work do not exceed the amount earned.
- d. Child support payments made to another on behalf of a minor who is not living in the applicant household are not childcare and cannot be deducted.
- e. Care expenses for the care of disabled family members over the age 12 cannot be deducted as a childcare expense, but see the section on disability assistance expenses.
- f. When more than one family member works, the HRA must determine which family member is being enabled to work because childcare is provided. This is necessary because the childcare allowance cannot exceed the income that family member earns. A good general rule is to assume that the childcare expenses enable the lowest paid individual to work, unless this is obviously not the case.

- g. When a family member works and goes to school, the HRA must prorate the childcare expense so that the portion of the total childcare expense that is specifically related to the hours the family member works can be compared with the amount earned.
- h. HRA must determine whether childcare costs are "reasonable". Reasonable means, reasonable for the care being provided. Reasonable costs for in-home care may be very different from reasonable day-care center costs. Families may choose the type of care to be provided. The HRA may not decide that the family may receive a deduction only for the least expensive type of care available.

3.9 Allowance for Medical Expenses

- a. The medical expense deduction is permitted only for households in which the head or spouse is at least 62 or disabled (elderly or disabled households).
- b. If the household is eligible for a medical expense deduction, the medical expenses of all family members may be counted (e.g., the orthodontist expenses for a child's braces may be deducted if the household is an elderly or disabled household).
- c. Medical expenses are expenses anticipated to be incurred during the 12 months following certification or re-examination, which are not covered by an outside source such as insurance. The medical allowance is not intended to give a family an allowance equal to last year's expenses, but to anticipate regular ongoing and anticipated expenses during the coming year.
- d. Not all elderly or disabled applicants or participants are aware that their expenses for medical care are included in the calculation of adjusted income for elderly or disabled households. For that reason, it is important for HRA staff to probe for information on allowable medical expenses. These may include:
 - 1. Services of doctors and health care professionals
 - 2. Services of health care facilities.
 - 3. Medical insurance premiums.
 - 4. Prescription/non-prescription medicines (prescribed by a physician).
 - 5. Transportation to treatment (cab fare, bus fare, mileage).
 - 6. Dental expenses, eyeglasses, hearing aids, batteries.
 - 7. Live-in or periodic medical assistance.
 - 8. Monthly payment on accumulated medical bills (regular monthly payments on a bill that was previously incurred). The allowance may include only the amount expected to be paid in the coming 12 months.
 - 9. If a family has medical expenses and no disability assistance expenses, the allowable medical expense is that portion of total medical expenses that exceeds three percent of annual income.

7. Special Calculation for Households Eligible for Disability Assistance

and Medical Expenses

If an elderly family or disabled family has both medical expenses and disability assistance expenses, a special calculation is required to insure that the family's three-percent share of these expenses is applied only one time. Because the allowance for disability assistance expenses is limited by the amount earned by the person freed for work, the disability allowance must be calculated before the medical allowance is calculated.

3.10 EARNED INCOME DISALLOWANCE

Who qualifies:

1. A family member who is employed was unemployed for one or more years before employment
 - a. unemployed:
 - i. a person that has earned less money in the previous 12 months than 10 hours per week at minimum wage for the area.
 - ii. Students completing their education and now on their first job.
 - iii. Elderly now returning to work after being out of the workforce.
 - iv. Head of household on Welfare entering the workforce for the first time.
 - v. Persons working piecemeal & part time but primarily relying on unearned income.
2. A family member has increased earnings during participation in any economic self-sufficiency or other job-training program.
3. A family has either increased earnings or new employment and has received assistance, benefits or services from welfare in the last 6 months worth at least \$500. The benefits or services could include one-time benefits, stipends, wage subsidies or other forms of assistance.

Disallowance:

1. Full disregard of incremental earned income for 12 months max.
2. 50% disregard of incremental earned income for a maximum of 12 months.
3. If earned income is sporadic disallowance period will be extended up to 48 months.
4. Each adult family member is entitled to only one disallowance period during their stay in public housing.

Part 4 - VERIFICATIONS

- 4.1 All income and asset information for admission and continued occupancy will be verified by the Authority. Written inquiries will include a statement of the purpose of the inquiry and a statement signed by the applicant to permit the source to release information.

When an applicant or tenant reports annual income that appears to be less than adequate for the family's needs, or if the family appears to be eligible for income that is not reported to be received, (i.e., welfare, unemployment compensation, child support, etc.) the absence of such income will be verified.

All verification will be obtained within 60 days of initial lease date and 120 days for all subsequent reexamination to ensure that current and accurate data are being used in calculating rents and eligibility.

All decreases reported in income which affect rent between admission and reexamination will be verified in accordance with the above provisions.

Tenant files will contain documentation of all verification.

Applicants/tenants must furnish verification or provide authorization for the Authority to obtain verification of all statements regarding income, assets, and allowance from a third party. Certification by signing the application for admission or the application for continued occupancy will normally be considered sufficient verification of family composition.

All income, assets, and each applicable deduction for exemption will be verified at the time of admission and at each subsequent reexamination. Income will be verified by third party verification. If third party written verification is not possible, a review of documentation provided by the family such as benefit checks, income tax returns, benefit award letters, savings and checking account statements, estimated market value of real estate from tax statements, United States savings bond redemption values, and other supporting documents may be accepted. In cases where third party verification cannot be obtained, the Authority will document the reason why another method was used. (United States Treasury checks will not be photocopied).

The following statements will also be verified and documented in the tenant file:

1. Age of family members when the sole factor determining eligibility is age or when necessary to support exemptions claimed for dependents.
2. Displacement, handicap disability, veteran or serviceman status when they are a factor in determining eligibility or preference.

For persons who claim disability but who are not recipients of benefits under Section 223 of the Social Security Act or Section 102(b) 5 of the Developmental Disabilities Services and Facilities Construction Amendment of 1970, a Doctor's Certification as to the degree and possible length of such disability shall be required. The receipt of veterans' benefits for disability, either service-incurred or otherwise, does not automatically establish eligibility by disability.

3. Full-time student status.
4. Non-economic selection criteria when information provides the basis for denial of eligibility based on the past conduct of the applicant or members of his or her family.

Types of verification

- A. The chart below outlines the factors that may be verified and gives common examples of the verification that will be sought. To obtain written third party verification, the SEMMCHRA will send a request form to the source along with a release form signed by the applicant/participant via first class mail.

CERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources Third Party		Documents Provided by Applicant	Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Written	Oral			
Employment Income	Verification Form with signed Consent to Release completed By employer	Wages and Salaries Telephone or in person contact with employer, specifying amount to be paid per pay period and length of pay period. Document in file by the HRA.	W-2 Forms, if applicant has had some employer for at least two years and increases can be accurately projected, or check stub or earning statements. Paycheck stubs or earning statements.	Notarized statements or affidavits signed by applicant which describe amount & source of income.	Frequency of gross pay (i.e., hourly, bi-weekly, monthly, bi-monthly). Anticipated increases in pay effective dates. Require most recent 6-8 consecutive pay stubs; do not use check without stub.
Self-employment, tips, gratuities, etc.	None available.	None available.	Form 1040/1040A showing amount earned and employment period.	Notarized statement or affidavit signed by applicant showing amount earned and pay period.	
Income maintenance payments, benefits, income other than wages (i.e., welfare, Social Security, (SS), Supplemental Security Income (SSI), Disability Income, Pensions).	Award or benefit notification letters prepared and signed by authorizing agency. Printout of benefit amounts generated by HRA through automated tie-in to welfare department computers.	Telephone or in-person contact with income source, documented in file by the HRA. Note: for all oral verification, file documentation must include facts, time & date of contract, and name & title of third party.	Current or recent check with date, amount, and check number recorded by the HRA. Award Letters. Copies of validated bank deposit slips/with identification by bank. Most recent quarterly pension account statement.		Checks or automatic bank deposit slips may not provide gross amounts of benefits if applicant has deductions made for Medicare Insurance. Confirm amount of the Medicare premium with the Social Security Administration (SSA). If local Social Security Administration (SSA) fails to provide verification, checks or automatic deposit slips may be accepted as interim verification of SS or SSI; however, the HRA must notify the HUD Field Office of SSA's refusal to verify. Copying of U.S. Treasury checks is not permitted.

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources		Documents Provided by Applicant	Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Written	Oral			
Welfare payments (as-paid states only)	<p>Verification form completed by welfare department indicating maximum amount family may receive.</p> <p>Maximum shelter schedule by household size with ratable reduction schedule.</p>	<p>Telephone or in-person contact with income source, documented in file by HRA.</p>	<p>Maximum shelter allowance schedule with ratable reduction schedule with ratable reduction schedule provided by applicant.</p>	<p>Not appropriate.</p>	<p>Actual welfare benefit amount not sufficient as proof of income in "as paid" states or localities since income is defined as maximum shelter amount.</p>
Unemployment compensation.	<p>Verification form, with signed Consent to Release, completed by source.</p>	<p>Telephone or in person contact with agency documented in a HRA file.</p>	<p>Copies of checks or records from agency provided by applicant stating payment amounts and dates.</p> <p>Benefit notification letter signed by authorizing agency.</p>		<p>Frequency of payments and expected length of benefit term must be verified.</p> <p>Income not expected to last full 12 months must be calculated based on 12 months and interim-completed when benefits stop.</p>
Alimony or child support.	<p>Copy of separation or divorce agreement provided by ex-spouse or court indicating type of support, amount, and payment schedule.</p> <p>Written statement provided by ex-spouse or income source indicating of all of above.</p> <p>If applicable, written statement from court/attorney that payments are not being received and anticipated date of resumption of payments.</p>	<p>Telephone or in person contact with ex-spouse or income source documented in file by the HRA.</p>	<p>Copy of most recent check, recording date, amount, and check number.</p> <p>Recent original letters from the court.</p>	<p>Notarized statement or affidavit signed by applicant indicating amount received.</p> <p>If applicable, notarized statement or affidavit from applicant indicating that payments are not being received and describing efforts to collect amounts dues.</p>	<p>Amounts awarded but not received can only be excluded from annual income when applicants have made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments.</p>
Recurring contributions and gifts.	<p>Notarized statement or affidavit signed by the person providing the assistance giving the purpose dates, and value of gifts.</p>	<p>Telephone or in person contact with source documented in file by HRA.</p>	<p>Not applicable</p>	<p>Notarized statement or affidavit signed by applicant stating purpose, dates, and value of gifts.</p>	<p>Sporadic contributions and gifts are not counted as income.</p>

Factor to be Verified	Acceptable Sources		Documents Provided by Applicant	Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Written	Oral			
Net Income for a business.	Not applicable.	Not applicable.	<p>IRS Form 1040 with Schedule C, E, or F.</p> <p>Financial Statement(s) of the business (audited or unaudited) including an accountant's calculation of straight-line depreciation expense if accelerated depreciation was used on the tax return or financial statement.</p> <p>Any loan application listing income derived from business during proceeding 12 months.</p> <p>For rental property, copies of recent rent checks, on lease and receipts for expenses or IRS Schedule E.</p>		
Dividend income and savings account interest income.	Verification form with signed consent to release, completed by bank.	Telephone or in-person contact with appropriate party, documented in file by the HRA.	<p>Copies of current statements, bank passbooks, and certificates of deposit, if they show required information (i.e., current rate of interest).</p> <p>Copies of IRS Form 1099 from the financial institution and verification of projected income for the next 12 months.</p> <p>Broker's quarterly statements showing value of stocks/bonds and earnings credited the applicant.</p>	Not appropriate.	<p>The HRA must obtain enough information to accurately project income over next 12 months.</p> <p>Verify interest rate as well as asset value.</p>

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources		Documents Provided by Applicant	Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Written	Oral			
Interest from sale of real property (e.g., contract for deed, installment sales contract, etc.)	Verification form, with signed consent to release, completed by an accountant, attorney, real estate broker, the buyer, or a financial institution which has copies of the amortization schedule from which interest income for the next 12 months can be obtained.	Telephone or in-person contact with appropriate party, documented in file by the HRA.	Copy of the amortization schedule, with sufficient information for the HRA to determine the amount of interest to be earned during the next 12 months. Note: Copy of a check paid by the buyer to the applicant is not acceptable.		Only the interest income is counted; the balance of the payment applied to the principal is merely a liquidation of the asset. The HRA must get enough information to compute the actual interest income for the next 12 months.
Current net family assets.	Verification forms, letters or documents with signed Consent to Release, forms from financial institutions, stock brokers, real estate agents, employers indicating the current value of the assets and penalties, or reasonable costs to be incurred in order to convert non-liquid assets into cash.	Telephone or in-person contact with appropriate source, documented in file by the HRA.	Passbooks, checking or savings account statements, certificates of deposit, property appraisals, stock or bond documents or other financial statements completed by financial institution. Copies of real estate tax statements, if tax authority uses approximate market value. Quotes from attorneys, stockbrokers, bankers, real estate agents, verifying penalties, reasonable costs incurred to convert asset to cash. Copies of real estate closing documents, which indicate distribution of sales proceeds and settlement costs.	Notarized statement or signed affidavit stating cash value of assets or verifying cash held at applicant's home or in safe deposit box.	Use current balance in saving accounts, average monthly balance in checking accounts for last 6 months. Use cash value of all assets: the net amount the applicant would receive if the asset were converted to cash. Note: This information can usually be obtained simultaneously with income from asset verification and employment verification (value of pension).

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources			Documents Provided by Applicant	Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Third Party					
	Written	Oral				
Assets disposed of for less than fair market value.	None required.	None required.	None required.	<p>Certification signed by applicant that no member of family has disposed of assets for less than fair market value during preceding 2 years.</p> <p>If applicable, certification signed by applicant that shows:</p> <ul style="list-style-type: none"> - Type of assets disposed of, - Date disposed of, - Amount received, and - Market value of asset at the time of disposition. 	Only count assets disposed of within a two-year period prior to examination or re-examination.	
Family composition.	None required.	None required.	Income tax returns, school records, marriage certificates, birth certificates, divorce actions, Veterans Administration (VA) records, support payment records.			
Family type. (Information verified only to determine eligibility for preferences and allowances.)	<p>Disability Status: statement from physician or other reliable source, if benefits documenting status are not received.)</p> <p>Displacement Status: Written statement or certificate of displacement by the appropriate governmental authority.</p>	Telephone or in-person contact with source documented in file by the HRA.	<p>Elderly Status (when there is reasonable doubt that applicant is at least 62): birth certificate, baptismal certificate, social security records, driver's license, census record, official record of birth or other authoritative document or receipt of SSI old age benefits or SS benefits.</p> <p>Disabled, blind - evidence of receipt of SSI or Disability benefits.</p>	Elderly Status: Applicant's signature on Application is generally sufficient.	<p>Unless the applicant receives income or benefits for which elderly or disable status is a requirement, such status must be verified.</p> <p>Status of disabled family members must be verified for entitlement to \$480 dependent deduction and disability assistance allowance.</p>	

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources			Documents Provided by Applicant	Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Third Party					
	Written	Oral				
Medical expenses	Verification by a doctor, hospital, or clinic, dentist, Pharmacist, etc. of estimated medical costs to be incurred or regular payments expected to be made on outstanding bills, which are not covered by insurance.	Telephone or in-person contact with these sources, documented in file by the HRA.	<p>Copies of cancelled checks, which verify payments on outstanding medical bills, which will continue for all or, part of the next 12 months.</p> <p>Copies of income tax forms (Schedule A, IRS Form 1040), which itemize medical expenses, when the expenses are not expected to change over the next 12 months.</p> <p>Receipts, cancelled checks, pay stubs, which indicate health insurance premium costs, or payments to a resident attendant.</p> <p>Receipts or ticket stubs which verify transportation expenses directly related to medical expenses.</p>	Notarized statement or signed affidavit of transportation expenses directly related to medical treatment, if there is no other source of verification.	Medical expenses are not allowable as deduction unless applicant is elderly or disabled household. Status must be verified.	
Care attendant for disabled family members.	<p>Written verification from attendant stating amount received, frequency of payments, hours of care.</p> <p>Written certification from doctor or rehabilitation agency that care is necessary to employment of household member.</p>	Telephone or in-person contact with source documented in file by the HRA.	Copies of receipts or cancelled checks indicating payment amount and frequency.	Notarized statement or signed affidavit attesting to amounts paid.	The HRA must determine if this expense is to be considered medical or disability assistance.	

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources		Documents Provided by Applicant	Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Written	Oral			
Auxiliary apparatus.	<p>Written verification from Source of costs and purpose of apparatus.</p> <p>Written certification from Doctor or rehabilitation Agency that use of apparatus Is necessary to employment of any household member.</p> <p>In case where the disabled person is employed, statement from employer that apparatus Is necessary for employment.</p>	<p>Telephone or in-person contact with these sources documented in file by the HRA.</p>	<p>Copies of receipts or evidence of periodic payments for apparatus.</p>		<p>The HRA must determine if expense is to be considered medical or disability assistance.</p>
Childcare expenses.	<p>Written verification from Person who provides care indicating amount of Payment, hours of care, Names of children, frequency Of payment, and whether or Not care is necessary to employment or education.</p>	<p>Telephone or in-person contact with these sources documented in file by the HRA.</p>	<p>Copies of receipts or cancelled checks indicating payments.</p>		<p>Allowance provided only for care of children 12 and younger</p> <p>When same care provider takes care of children and disabled person, the HRA must pro-rate expenses accordingly.</p> <p>HRA should keep in mind that costs may be higher in summer months, and during holiday periods.</p> <p>The HRA must determine which household member has been enabled to work.</p> <p>Care for employment and education must be prorated to compare to earnings.</p> <p>Costs must be "reasonable".</p>

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources		Documents Provided by Applicant	Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Written	Oral			
Full-time student status (of family member 18 or older, excluding head, spouse, or foster children).	Verification from the Admissions or Registrar's Office or dean, counselor, advisor, etc. or from VA Office.	Telephone or in-person contact with these sources documented in file by the HRA.	School records, such as paid fee statements, which show a sufficient number of credits to be considered a full-time student by the educational institution attended.		
	Verification from reliable medical source	Telephone or in-person contact with these sources documented in file by the HRA.			

The Tenant Selection and Assignment Policies have been designed by the Authority to take into consideration the needs of individual families for low-income housing and the statutory purpose in developing and operating a socially and financially sound low-income housing program which provides a decent home and a suitable living environment and fosters economic and social diversity in the tenant body as a whole.

The Authority, in order to attain a tenant population with a broad range of incomes representative of low-income families in the Authority's jurisdiction, will select tenants from the waiting list with rent paying ability sufficient for the Authority's housing program to maintain financial stability.

In order to attain these goals:

1. The Authority will, on an annual basis, compare the actual distribution of incomes of all tenant families in residence in the HRA's projects with the distribution of incomes of all low-income families in the HRA's area of jurisdiction, and determine the average rent required to meet the average operating costs of the project.
2. The Authority will not discriminate against any applicant because of race, color, religion, sex of household head, national origin, marital status, handicap or receipt of public assistance. The Authority will not automatically deny admission to a particular group or category of otherwise eligible applicants (e.g. unwed mothers or families with children born out of wedlock).
3. Each applicant (who is at least 18 years of age) will be assigned his/her appropriate place on a community-wide basis in sequence based upon date and time his/her application is received, suitable type or size of unit, and factors affecting preference or priority established by the Local Authority's regulations. At a given time, the applicant first on the waiting list shall be offered a suitable unit at the location that contains the largest number of vacancies. If the applicant rejects the unit offered he or she may be moved to the last place on the eligible waiting list. A Family that is on a Section 8 waiting list will not lose its place on that waiting list by applying for the HRA's public housing projects.

In carrying out the above plan, should the applicant present to the satisfaction of the Local Authority clear evidence that acceptance of a given offer of a suitable vacancy will result in undue hardship not related to considerations of race, sex, religion, color, national origin or language, such as inaccessibility to source of employment, children's day care and the like, refusal of such an offer shall not be counted as one of the number of allowable refusals permitted an applicant before placing his/her name at the bottom of the eligible list.

4. Not less than 40 percent (40%) shall be occupied by families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income per family size. The HA will not concentrate very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing projects or certain buildings within projects.

5. Reassignment or transfers to other dwelling units shall be made without regard to race, color, national origin, religion, creed, sex, age or handicap as follows:
 - A. Tenants shall not be transferred to a dwelling unit of equal size either within a project or between projects, except for alleviating hardships as determined by the Executive Director or his/her designee;
 - B. Transfers within the projects shall be made to correct occupancy standards;
 - C. Transfers required to comply with occupancy standards shall take precedence over new admissions.
6. To preclude admission of applicants whose habits and practices reasonably may be expected to have a detrimental effect on the tenants or project environment the Housing Authority will follow the requirements as defined in Part 2, (2)(B) of this Policy.

PREFERENCES

In selecting applicants for admission the HRA gives consideration when at the time family is seeking housing assistance, the following circumstances exist (in order listed); applicant has been displaced by governmental action or a presidentially declared disaster, is considered homeless, elderly/handicapped status and whether the applicant is a resident or works in the HRA's service area, applicants participating in the FSS program.

Applicants with preferences are selected from the waiting list and receive an opportunity for an available unit earlier than those who do not have a preference. Preferences affect only the order of applicants on the waiting list. They do not make anyone eligible who was not otherwise eligible, and they do not change the HRA's right to adopt and enforce tenant screening criteria.

The HRA will inform all applicants about available preferences and give all applicants an opportunity to show that they qualify for available preferences.

Preferences will be given in the following order;

1. Applicants displaced by governmental action or a presidentially declared disaster.
2. Preference will be given to Homeless families. A homeless family includes any individual or family who:
 - Lacks a fixed, regular, and adequate nighttime residence; and
 - Has a primary nighttime residence that is:
 - a. A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - b. An institution that provides a temporary residence for individuals intended to be institutionalized; or
 - c. A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. A homeless family does not include any individual imprisoned or otherwise detained pursuant to an Act of congress or of a State Law.

The definition of a Homeless Program would include participation in Transitional Housing Programs.

3. Applicants that are elderly or disabled.
4. Whether the applicant is a resident of the HRA's Service Area.
 - a. Families and individuals who live in the service area and/or who were forced to move to other localities for reasons beyond their control shall be entitled to a preference.
 - b. Applicants who are going to school or working in or who have been hired to work in the HRA's Service area shall be entitled to this preference.
5. Participants of the Family Self-sufficiency Program will be given a local preference. The HRA has a special allocation of 31 certificates and 25 public housing slots awarded under HUD's Family Self Sufficiency (FSS) to help very low income families become economically independent and obtain decent, safe and affordable housing. The certificates and public housing slots can be interchanged as needed to assist 56 participants with rental assistance. To be eligible for one of these slots the applicant must have been on the waiting list and willing to meet with the Manager to develop a FSS plan and sign a five year FSS contract.

Of the public housing dwelling units made available for occupancy in any fiscal year by eligible families, not less than 40 percent (40%) shall be occupied by families whose incomes, at the time of commencement of occupancy, do not exceed 30 percent (30%) of the area median income per family size.

Part 6 - OCCUPANCY STANDARDS

Dwelling units will be assigned as follows:

- A. No more than two (2) persons would be required to occupy a bedroom;
- B. Persons of different generations, persons of opposite sex, (other than spouse/co-heads) and unrelated adults would not be required to share a bedroom;
- C. Children (including foster children) of the same sex share a bedroom;
- D. Children, with the possible exception of infants, would not be required to share a bedroom with persons of different generations, including their parents;
- E. A live-in care attendant who is not a member of the family should not be required to share a bedroom.

Following is the range of persons per bedroom:

NUMBER OF BEDROOMS	NUMBER OF PERSONS	
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	3	6
4	5	8
5	7	10

If, because of a physical or mental handicap of a household member or a person associated with that household, a family may need a unit that is larger than the unit size suggested above.

Such standards may be waived when a vacancy problem exists and it is necessary to achieve or maintain full occupancy by temporarily assigning a family to a larger size unit than is required. Such family will be transferred to the proper size unit as soon as one becomes available.

Part 7 - WAITING LIST

1. One waiting list will be maintained for all low rent projects. The waiting list will consist of apparently eligible applicants, based on type and size of unit required, factors affecting preference, and date and time the application was received. Application forms will be completed to the extent that all factors of eligibility are included and a determination can be made by the Authority on the apparent eligibility status of the applicant.
2. Contact will be made annually with apparently eligible persons on the waiting list to keep a current list of persons actually remaining interested in, and apparently eligible for housing.
3. The Waiting List will be maintained as defined in Part 4 and Part 5, of this Policy.

Effective September 1, 2004:

Each family Assisted in Public Housing must pay a monthly minimum rent of not less than ~~\$25~~ **\$50**. The Total Tenant Payment must be the greatest of:

- 30 percent of family monthly adjusted income
- 10 percent of family monthly income;
- ~~\$25~~ **\$50** minimum rent.

Each family assisted with Public Housing must pay a monthly minimum rent of not less than ~~\$25~~ **\$50**. “Minimum rent” refers to minimum total tenant payment (TTP) and not minimum tenant rent (TP). For families subject to a utility allowance, the families will be subject to a minimum TTP but could still be entitled to a utility reimbursement if the utility allowance is greater than the TTP.

Exceptions to the application of the minimum monthly rental amount will apply to any family unable to pay because of financial hardship which include: 1) the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence; 2) the family would be evicted as a result of the imposition of the minimum rent requirement; 3) the income of the family has decreased because of changed circumstances, including loss of employment; 4) a death in the family has occurred; and 5) other circumstances determined by the HRA.

An exemption may not be provided if the hardship is determined temporary. The HA may not evict the family for nonpayment of rent on the basis of hardship if the hardship is determined by the HA to be temporary during the 90 day period beginning upon the date of the family’s request for the exemption. During this 90 day period, the family must demonstrate that the financial hardship is of a long term basis. If the family demonstrates that the financial hardship is of a long-term basis, the HA shall retroactively exempt the family from the applicability of the minimum rent requirement for the 90 day period. The HA will request reasonable documentation of hardship under the circumstances.

The HRA will exercise discretion to refrain from evicting affected families, and using alternative means of assistance, such as rescheduling rental payments.

The HRA will counsel affected families on the availability of assistance, if any, to help with their rental payments (e.g. Federal and State homeless and welfare assistance that may be used to prevent eviction), and referring the families to the appropriate local service agencies or homeless assistance programs for rental assistance;

If needed the HRA will use the operating reserve derived from administrative fees under Section 8 (q) of the United States Housing Act of 1937 for the purpose of paying all or part of the minimum rent required (this is an eligible use of reserve funds).

Removal of Applicants From the Waiting List

- A. The SEMMCHRA will not remove an applicant's name from the waiting list unless:
 - 1. The applicant requests that the name be removed;
 - 2. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses scheduled appointments; or
 - 3. The applicant does not meet either the eligibility or screening criteria for the program.

NOTIFICATION OF NEGATIVE ACTIONS

Any applicant whose name is being considered for removal from the waiting list will be notified by the SEMMCHRA, in writing, that they have ten (10) business days, from the date of the written correspondence, to present mitigating circumstances or request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the timeframe specified. The SEMMCHRA system of removing applicants' names from the waiting list will not violate the rights of persons with disabilities. If an applicant's failure to respond to a request for information or updates was caused by the applicant's disability, the SEMMCHRA will provide a reasonable accommodation. If the applicant indicates that they did not respond due to a disability, the SEMMCHRA will verify that there is in fact a disability and that the accommodation they are requesting is necessary based on the disability. An example of a reasonable accommodation would be to reinstate the applicant on the waiting list based on the date and time of the original application.

Informal Review

If the SEMMCHRA determines that an applicant does not meet the criteria for receiving assistance, the SEMMCHRA will promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reason(s) for the decision, and state that the applicant may request an informal review of the decision within 10 business days of the denial. The SEMMCHRA will describe how to obtain the informal review. The informal review process is described in this Plan.

Any meeting with the applicant, or review of the applicant's written response, must be conducted by a member of the management staff who did not make the initial decision to reject the applicant. If the applicant appeals the rejection, the property manager must give the applicant a written decision within 5 days of the response or meeting.

HRA must keep the following materials on file for at least three (3) years: application, initial rejection notice, any applicant reply, owner's final response, and all interview and verified information on which the owner based the rejection.

Part 8 - SCHEDULE OF RENTS

For tenants in occupancy on or after January 26, 1996, the Total Tenant Payment shall be the highest of the following, rounded to the nearest dollar:

- A. 30% of monthly adjusted income;
- B. 10% of monthly income; or
- C. If the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing cost, is specifically designated by such agency to meet the family's housing cost the monthly portion of such payments which is so designated. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage; or
- D. ~~\$25~~ **\$50** minimum rent

Flat Rents

The HRA has established a flat rent for each public housing unit. The flat rent is based on the value of the public housing unit in the private unassisted market and designed so that it does not discourage families working towards economic self-sufficiency. Income of families paying the flat rent must be reviewed not less than once every three years; incomes of families paying income-based rents must continue to be reviewed once a year. Flat rents will be reviewed annually. Utility allowances are not subtracted from flat rent because utilities are considered in the calculation to determine the flat rent for the specific development.

Each year the HRA will offer families the choice between flat rent or income based rent. Tenants may choose rental payments annually, based on either a flat rent or the income-based rent method. Tenants may choose to pay the HRA's established income-based rental payment, which does not exceed 30 percent of their adjusted monthly income. In the event a family's income decreases due to financial hardship, tenants may elect to pay an income-based rent because the higher flat rent is no longer affordable.

Flat rents will be reviewed annually. Residents paying a flat rent would have the rent adjusted during the next annual reexamination if they remain in the same complex. Residents moving to another complex would pay the flat rent for the new complex.

Effective; June 1, 2003

	Flat Rent
Wabasha County	
One Bedroom	\$389
Two Bedrooms	\$493
Three Bedrooms	\$586
Goodhue County	
Three Bedrooms	\$707
Four Bedrooms	\$776
Dodge County	
Three Bedrooms	\$572
Four Bedrooms	\$620

Switching Rent Determination Methods Because Of Hardship Circumstances. Financial hardships would include:

1. Situations in which the income of the family has decreased because of changed circumstances, loss of reduction of employment, death in the family, and reduction in or loss of income or other assistance.
2. An increase, because of changed circumstances, in the family's expenses for medical costs, child care, transportation, education, or

- similar items; and;
3. Such other situations as may be determined by the agency.

Part 9 - ADDITIONAL CHARGES

1. Security Deposit:

Each Tenant is required to pay a security deposit in an amount determined by the Authority. Such payments must be made prior to occupancy, unless other arrangements are made with the management. The security deposit will be held until the tenant moves out and will be returned within twenty-one (21) days with interest if the following conditions are met:

- A. There is not unpaid rent or other charges for which the tenant is liable;
- B. The apartment and all equipment are left reasonably clean and all trash and debris has been removed by the tenant;
- C. There is no breakage or damage which is not due to normal wear; and
- D. All keys issued to the tenant are turned into the Management Office when the tenant vacates the apartment.

The security deposit may not be used during occupancy to pay charges. The amount of Security Deposit required is defined in Appendix B.

2. Excess Utility Consumption:

Where the utilities are included in the contract rent as defined in Appendix C, the Authority will charge each tenant for utility usage in excess of necessary amounts. These charges will be determined either by a Schedule of Charges for use of Tenant-Supplied Major Appliances as defined in Appendix C, or by individual check metering where the Authority will charge for actual usage in excess of the established necessary amounts.

Part 10 - LEASING

1. Prior to admission a lease shall be signed and dated by the family head and spouse/co-head and by the Authority.
2. The lease is to be current at all times and must be compatible with Authority Policies as well as state and Federal law.
3. Notices of Rent Adjustments will be issued to amend the dwelling lease and signed and dated by both the Authority and the tenant. This procedure provides formal acknowledgment of the rent change and documents that appropriate notice has been provided to tenants who incur rent increases.

Documentation will be included in the tenant file to support proper notice.

4. Schedules of special charges for services, repairs and utilities, and rules and regulations which are required to be incorporated in the lease by reference shall be publicly posted in a conspicuous manner in the project office and shall be furnished to applicants and tenants on request. Such schedules, rules and regulations may be modified from time to time, provided that at least thirty day written notice is given, to each affected tenant setting forth the proposed modification, the reasons therefore, and providing the tenant an opportunity to present written comments which shall be taken into consideration prior to the proposed modifications becoming effective.

A copy of such notice shall be:

- A. Delivered directly or mailed to each tenant; or
 - B. Posted in at least three conspicuous places within each structure or building on which the affected dwelling units are located, as well as in a conspicuous place at the project office, if any, or if none, a similar central business location within the project.
5. Any modifications of the lease must be accomplished by a written rider to the lease signed by both parties.

Part 11 - REEXAMINATION OF TENANT ELIGIBILITY AND RENTAL ADJUSTMENTS

1. The HRA must reexamine income and composition of all tenant families at least once every twelve (12) months and determine whether the family's unit size is still appropriate.
2. The Authority will require a written Application for Continued Occupancy from each family, signed by the head of the family or the spouse/co-head which will set forth in adequate detail all data and information necessary to enable the Authority to determine; (1) the rent to be charged; and (2) the size of the apartment required.

Verifications will be followed as defined in Part 3, of this Policy.

3. The HRA shall not commence eviction proceedings, or refuse to renew a lease, based on the income of the tenant family unless; a) it has been identified, for possible rental by the family, a unit of decent, safe and sanitary housing of suitable size at a rent not exceeding the tenant rent as defined by the Authority for the purpose of determining rents; or b) it is required to do so by local laws.
4. Once rent is established, such rental rate shall remain in effect until the next annual reexamination, special reexamination or an interim rent adjustment for an unanticipated change in income or family composition. Anytime any of the following circumstances occur rent and income will be reviewed and rent adjusted as defined in Part 8, of this Policy:
 - A. A decrease in Family Income which would lower the rent as defined in Part 8, of this Policy;
 1. Total Tenant Payment will not be decreased due to a welfare reduction if the welfare assistance was reduced specifically because of fraud or failure to participate in an economic self-sufficiency program or comply with a work activities requirement. The prohibition on reduction of Public Housing rent is applicable only if the welfare reduction is neither the result of the expiration of a lifetime limit on receiving benefits nor, a situation where the family has complied with welfare program requirements but cannot obtain employment (e.g., the family has complied, but loses welfare because of a durational time limit such as a cap on welfare benefits for a period of no more than two years in a five year period). Written documentation from the welfare department, verifying the reason for the reduced welfare benefits must be obtained before a request for re-certification is denied.
 - B. A change in Family composition which would increase/decrease the rent as defined in Part 8 - **Schedule of Rents**, of this Policy.
5. Increases in rent resulting from rent reviews are to be effective the first of the second month following the change.

6. If, upon reexamination, it is found that the size or composition of a family or household has changed so that the apartment occupied by the family contains a number of rooms less or greater than necessary to provide decent, safe and sanitary accommodations as described in the Occupancy Standards in Part 6, Management shall give notice of at least thirty (30) days to the tenant that the tenant will be required to move to another unit, as soon as one is available.

7. In the event it is found that a tenant has misrepresented to Management the facts upon which his/her rent is based, so that the rent paid is less than should have been charged, the increase in rent shall be made retroactive to the date the change should have been made. If management determines that tenant has gained admission or remained in occupancy in the Housing Authority's project through tenant's willful misrepresentation of income or assets, Management shall notify the tenant that the tenant has thirty (30) days to find other housing and vacate the leased premises.

Part 12 - LEASE TERMINATIONS

- A. The tenant may terminate the lease by providing the Authority with one month plus one day written notice as defined in the lease agreement.

The lease may be terminated by the Authority at any time by the giving of written notice for good cause such as but not limited to:

1. nonpayment of rent or other charges due under the Lease, or repeated chronic late payment of rent;
2. failure to provide timely and accurate statements of income, assets, expenses and family composition at Admission, Interim, Special or Annual Rent Re-certification;
3. assignment or subleasing of the premises or providing accommodation for boarders or lodgers;
4. use of the premises for purposes other than solely as a dwelling unit for the Tenant and the Tenant's household as identified in the Lease, or permitting its use for any other purpose;
5. failure to abide by necessary and reasonable rules made by the Landlord for the benefit and well being of the housing project and the Tenants;
6. failure to abide by applicable building and housing codes materially affecting health or safety;
7. failure to dispose of garbage, waste and rubbish in a safe and sanitary manner; failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner;
8. acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;
9. failure to pay reasonable charges (other than normal wear and tear) for the repair of damages to the premises, project buildings, facilities or common areas;.
10. Any activity, not just criminal activity on or off the premises, not just on or near the premises, pattern of illegal use of a controlled substance and/or alcohol abuse that the HA determines interferes with the health, safety, or right to peaceful enjoyment of the premises by the other residents;
11. Violent criminal activity on or near premises; criminal activity that threatens HRA or management staff; fugitive felons, parole violators, persons fleeing prosecution;
12. Immediately and permanently terminate the tenancy in any public housing dwelling unit by any person who has been convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law;
13. HRA may terminate the tenancy for any person who the HRA determines is illegally using a controlled substance;
14. An HRA may terminate the tenancy for any person if the HRA determines that the person's by abuse of alcohol interferes with the health, safety, or right to peaceful enjoyment of the premises other residents.

B. Notification Requirements

To terminate tenancy the HRA will give the family written notice of the it's intent to terminate the tenancy and the reasons for the termination. The tenancy does not terminate before such notice is given. The notice must be given to the tenant before any eviction process starts or as part of any eviction notice required by state or local law.

Eviction notice means a notice to vacate, or a complaint or other initial pleading used to begin an eviction action under state or local law. The HRA will only evict the tenant from the unit through a court action.

If the HRA proposes to terminate the Lease, written notice of the proposed termination will be

given as follows:

1. At least fourteen (14) days prior to termination in the case of failure to pay rent;
 2. A reasonable time based on the urgency of the situation in the case of; a creation or maintenance of a threat to health or safety of other Tenants or Landlord's employees,
 3. At least thirty (30) days prior to termination in all other cases.
- C. Notice of termination to tenant shall state reasons for the termination, shall inform the tenant of his/her right to make such reply as he may wish and of his right to request a hearing as defined in Part 13, of this Policy.
- D. Before the Authority shall schedule a grievance hearing for any grievance concerning the amount of rent the Authority claims is due, the Tenant must first bring his or her rent account current by paying to the Authority an amount equal to the amount of rent due and payable as of the first of the month preceding the month in which the act or failure to act took place. After the hearing is scheduled, the Tenant shall continue to deposit this same monthly rent amount into the Authority's escrow account until the complaint is resolved by the decision of the hearing officer or panel.

If the grievance hearing officer or panel upholds the Authority's action to terminate the tenancy, the Authority's notice to vacate shall not be issued to the Tenant before the decision of the grievance hearing officer or panel is either mailed or delivered to the Tenant. Until the Authority's Notice to Vacate has been served to the Tenant, the Authority will not commence eviction action in court.

Part 13 - GRIEVANCE PROCEDURES

1. Definitions:

- A. A "Grievance" is any dispute which a tenant may have with respect to Housing Authority action or failure to act in accordance with the individual tenant's lease or Housing Authority regulations which adversely affect the individual tenant's rights, duties, welfare or status.
- B. A "Complainant" is any tenant whose grievance is presented to the Housing Authority or at the project management office informally or as part of the informal hearing process.
- C. A "Tenant" is the adult person(s) (other than live-in aide) who resides in the unit, and who executed the Lease with the Housing Authority as lessee of the dwelling unit, or, if no such person now resides in the unit, one who resides in the unit, and who is the remaining head-of-household of the tenant family residing in the dwelling unit.
- D. A "Hearing Officer or Panel" shall mean an impartial, disinterested person or persons selected to hear grievances and render a decision.
- E. The "Elements of Due Process" shall mean an eviction action or a termination of tenancy in a State or local court in which the following procedural safeguards are required:
 - 1. Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction;
 - 2. Right of the tenant to be represented by counsel;
 - 3. Opportunity for the tenant to refute the evidence presented by the Housing Authority including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have;
 - 4. A decision on the merits.
- F. A "Resident Organization" includes a Resident Management Council.

2. Grievance Procedure:

- A. Informal Grievance Procedures:

1. Any grievance shall be personally presented orally or in writing to the Housing Authority office or to the Complainant's project office. (If the grievance is written, it must be signed and dated by the Complainant.) The grievance must be presented within a reasonable time, not in excess of the first working day after the fifth (5th) day of the action or failure to act which is the basis of the grievance. It may be simply stated, but shall specify; (a) the particular ground(s) upon which it is based; (b) the action requested; and (c) the name, address and telephone number of Complainant and similar information about his/her representative, if any.
2. The purpose of this initial contact is to discuss and hopefully resolve grievances without the necessity of a formal hearing.
3. Within five (5) working days, a summary of this discussion will be given to the Complainant by a Housing Authority representative, one copy to be filed in the Housing Authority's tenant file.
4. The summary will include; names of participants, date of the meeting, nature of the proposed disposition, and specific reasons therefore; and shall specify steps by which a formal hearing can be obtained if the complainant is not satisfied.
5. After exhausting procedures outlined above, if the Complainant is dissatisfied with the proposed disposition of the grievance, he/she is entitled to a hearing before a Hearing Officer or Panel. He/she shall submit a written request for a hearing within ten (10) working days of delivery of the above-mentioned summary of the informal proceedings.
6. If the Complainant does not request a hearing within ten (10) working days, he/she waives his/her right to a hearing, and the Housing Authority's proposed disposition of the grievance will become final. Failure to request a hearing shall in no way constitute a waiver of the Complainant's right to contest the Housing Authority's disposition of his/her grievance in an appropriate judicial hearing.

3. Procedures to Obtain a Hearing:

A. Informal Prerequisite:

1. All grievances shall be personally presented either orally or in writing pursuant to the informal procedure as defined in Section 2(A)(1) above, as a prerequisite to a formal hearing. If the Complainant shall show good cause why he/she failed to proceed as defined in Section 2(A)(1) above, to the Hearing Officer or Panel, the provisions of this subsection may be waived by the Hearing Officer or Panel.
2. If the Complainant does not request a hearing within the time period allowed in Section 2(A)(5) above, he/she waives his/her right to the hearing, and proposed disposition of the grievance will become final. This shall not; however, constitute a waiver of the Complainant's right thereafter to contest disposition of his/her grievance in an appropriate judicial proceeding.

B. Escrow Deposit:

1. Before a hearing is scheduled in any grievance involving an amount of rent the Housing Authority claims is due, the Complainant shall pay to the Housing Authority all rent due and payable as of the month preceding the month in which the act or failure to act took place.
2. The Complainant shall thereafter deposit the same amount of the monthly rent in an escrow account monthly until the complaint is resolved by decision of the Hearing Officer or Panel.
3. The requirements as defined in Section 3(B)(1) and (2) above, may be waived by the Housing Authority in extraordinary circumstances.
4. Unless so waived, failure to make the aforementioned payments shall result in termination of the grievance procedure.
5. Failure to make such payments shall not constitute a waiver of any right the Complainant may have to contest the Housing Authority's disposition of his/her grievance in any appropriate judicial proceeding.

4. Selection of a Hearing Officer or Panel:

- A. The Hearing Officer shall be an impartial, disinterested person(s) appointed by the Housing Authority, other than a person who made or approved the Housing Authority action under review or a subordinate of such person.
- B. The Housing Authority may provide for the appointment of a Hearing Officer or Panel by any method which is approved by a majority of tenants voting in an election or meeting of tenants held for that purpose. Any comments or recommendations submitted by Tenant Organizations shall be considered by the Housing Authority before the appointment.

5. Scheduling:

- A. Upon Complainant's compliance with Section 3(A) and (B) above, a hearing shall be scheduled by the Hearing Officer or Panel promptly for a time and place reasonably convenient to both the Complainant and the Housing Authority.
- B. A written notification specifying the time, place, and the procedures governing the hearing shall be delivered to the Complainant and the appropriate Housing Authority official.

6. Expedited Grievance Procedure:

In the case of a grievance conducted under the expedited grievance procedure, the informal hearing is by passed.

7. Procedures Governing the Hearing:

- A. The hearing shall be held before a Hearing Officer or Panel as appropriate.
- B. The Complainant shall be afforded a fair hearing providing the basic safeguard of due process which shall include:
 - 1. The opportunity to examine before the grievance hearing and at the expense of the Complainant, to copy all documents, records and regulations of the Housing Authority that are directly relevant to the hearing. If the Housing Authority does not make the document available for examination upon request by the Complainant, the Housing Authority will not rely on such document at the grievance hearing;
 - 2. The right to a private hearing unless the Complainant requests a public hearing;
 - 3. The right to be represented by counsel or other person chosen as his/her representative, and to have such person make statements on the tenant's behalf;
 - 4. The right to present evidence and arguments in support of his/her complaint, to controvert evidence relied on by the Housing Authority or project management, and to confront and cross-examine all witnesses on whose testimony or information the Housing authority or project management relies; and
 - 5. A decision based solely and exclusively upon the facts presented at the hearing.
- C. If the Hearing Officer or Panel determines that the issue has been previously decided in another proceeding they may render a decision without proceeding with the hearing.
- D. If the Complainant or Housing Authority fail to appear at the scheduled hearing, the Hearing Officer or Panel may make a determination to postpone the hearing for not to exceed five (5) working days, or make a determination that the party has waived his/her right to a hearing. Both parties will be notified of the determination provided that such a determination in no way waives the Complainant's right to appropriate judicial proceedings.
- E. At the hearing, the Complainant must first make a showing of an entitlement of the relief sought and thereafter the Housing Authority must sustain the burden of justifying the Authority actions or failure to act against which the complaint is directed.
- F. The hearing shall be conducted by the Hearing Officer or Panel in such a way to be:
 - 1. Informal - Oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings;

2. Orderly - The Hearing Officer or Panel shall require that the Housing Authority, Complainant, counsel and other participants and spectators conduct themselves in an orderly fashion. Failure to comply with the directions of the Hearing Officer or Panel to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.
- G. The Complainant or Housing Authority may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.
- H. The Housing Authority will provide reasonable accommodations for person with disabilities to participate in the hearing.
 1. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.
 2. If the tenant is visually impaired, any notice which is required under this procedure will be in an accessible format.
8. Decision of the Hearing Officer or Panel:
 - A. Within ten (10) working days following the hearing, the Hearing Officer or Panel shall give the Complainant and Housing Authority a written decision including reasons therefore. The Housing Authority will file one copy in the tenant file and maintain another copy with names and identifying references deleted for a prospective Complainant, his/her representative, or Hearing Officer or Panel.
 - B. The decision of the Hearing Officer or Panel shall be binding on the Housing Authority which shall take all actions necessary to comply with the decision unless the Housing Authority Board of Commissioners determine, within a reasonable time, and or notifies the Complainant that:
 1. The grievance does not concern Housing Authority action or failure to act in accordance with or involving the Complainant's Lease on Housing Authority regulations which adversely affect the Complainant's rights, duties, welfare or status.
 2. The decision of the Hearing Officer or Panel is contrary to applicable Federal, State or local law, HUD regulations or requirements of the Annual Contributions Contract between HUD and the Housing Authority.
 - C. A decision by the Hearing Officer or Panel or Housing Commissioners in favor of the Housing Authority or which denies the relief requested by the Complainant in whole or part shall not constitute a waiver of, nor affect in any manner whatever, the rights the Complainant may have to a new trial or judicial review in any proceedings, which may thereafter be brought in the matter.

9. Housing Authority Eviction Actions:

- A. If a tenant has requested a hearing in accordance with these duly adopted Grievance Procedures on a complaint involving Housing Authority notice of termination of tenancy, and the hearing official (panel) upholds the Housing Authority action, the Housing Authority shall not commence an eviction action until it has served a notice to vacate on the tenant.
- B. In no event shall the notice to vacate be issued prior to the decision of the hearing official (panel) having been mailed or delivered to the complainant.
- C. Such notice to vacate must be in writing and specify that if the tenant fails to quit the premises within the applicable statutory period, or on the termination date stated in the notice of termination, whichever is later, appropriate action will be brought against him and he may be required to pay court costs and attorney fees.
- D. The HRA may bypass the grievance procedures in cases involving termination of tenancy for any activity, not just a criminal activity, that threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants or employees of the HRA or any drug-related criminal activity on or off such premises, not just on or near such premises.

GLOSSARY

1. Adjusted Income: Annual Income Less:
 - A. \$480 for each Dependent;
 - B. \$400 for any Elderly Family;
 - C. For any family that is not an elderly family but has a handicapped or disabled member other than the head-of-household or spouse/co-head, handicapped assistance expenses in excess of three (3) percent of Annual Income but this allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the handicapped or disabled person;
 - D. For any Elderly Family:
 1. That has no handicap assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed three (3) percent of annual income;
 2. That has handicap assistance expenses greater than or equal to three (3) percent of annual income, an allowance for handicapped assistance expenses computed as defined in Paragraph C, of this Section, plus an allowance for medical expenses that is equal to the family's medical expenses;
 3. That has handicapped assistance expenses that are less than three (3) percent of annual income, an allowance for combined handicapped assistance expenses and medical expenses that is equal to the amount by which the sum of these expenses exceeds three (3) percent of annual income;
 - E. Child Care Expenses.
2. Alien: A person who owes allegiance to another county or government.
3. Annual Income:
 - A. Annual income is the anticipated total income from all sources received by the Family head and spouse/co-head (even if temporarily absent) and by each additional member of the Family, including all net income derived from assets, for the twelve (12) month period following the effective date of initial determination or reexamination of income, exclusive of certain types of income as defined in Paragraph C, of this Section. If it is not feasible to anticipate a level of income over a 12 month period, the income anticipated for a shorter period may be annualized, subject to a re-determination at the end of the shorter period.

B. Annual Income includes, but is not limited to:

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

7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions and gifts received from persons not residing in the dwelling; and
8. All regular pay, special pay and allowances of a member of the Armed Forces, except as defined in Paragraph (C)(7), of this Policy.

C. Annual Income does not include the following:

1. Income from employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children;
3. 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, deferred periodic payments received in a lump sum from SSI and Social Security, except as defined in Paragraph (B)(5), of this Section;
4. Amounts received by the Family, that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
5. Income of a Live-in Aide, as defined in #13 of this Section;
6. Amounts of scholarships funded under Title IV of the Higher Educational Act of 1965, including awards under the Federal Work Study Work Program or under the Bureau of Indian Affairs student assistance programs;
7. The special pay to a Family member in the Armed Forces who is exposed to hostile fire;
8.
 - (a) Amounts received under training programs funded by HUD;
 - (b) Amounts received by a Disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS); or
 - (c) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

- (d) A resident service stipend. A resident service stipend is a modest amount (not to exceed \$200) per month) received by a public housing resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in public housing. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No Resident may receive more than one such stipend during the same period of time; or
 - (e) Compensation from State or local employment training programs and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance by the PHA;
9. Temporary, nonrecurring or sporadic income (including gifts);
 10. For all initial determinations and reexamination of income carried out on or after April 23, 1993, reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
 11. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
 12. Adoption assistance payments in excess of \$480 per adopted child;
 13. The earnings and benefits to any resident resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the U.S. Housing Act of 1937 (42 U.S.C. 1437 et seq.), or any comparable Federal, State, or local law during the exclusion period. For purposes of this paragraph, the following definitions apply.
 - (i) Comparable Federal, State or local law means a program providing employment training and supportive services that --
 - (A) Is authorized by a Federal, State or local law;
 - (B) Is funded by the Federal, State or local government;
 - (C) Is operated or administered by a public agency; and
 - (D) Has as its objective to assist participants in acquiring employment skills.
 - (ii) Exclusion period means the period during which the resident participates in a program described in this section, plus 18 months from the date the resident begins the first job acquired by the resident after a completion of such program that is not funded by public housing assistance under the U.S. Housing Act of 1937 (42 U.S.C. 1437 et seq.). If the resident is terminated from employment without good cause, the exclusion period shall end.

(iii) Earnings and Benefits means the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job;

14. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment.
 15. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
 16. Amounts paid by a State agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
 17. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 937. A notice will be published in the Federal Register and distributed to PHAs identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.
- D. If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period may be annualized, subject to a re-determination at the end of the shorter period.
- E. Any family receiving the reparation payments as defined in Paragraph (C)(10), of this Policy, that has been requested to repay assistance as a result of receipt of such payments shall not be required to make further repayments on or after April 23, 1993.
4. Assets: Include cash, (including checking accounts), stocks, bonds, savings, equity in real property, capital investments, or the cash value of life insurance policies not including the value of personal property such as furniture, automobiles and household affects.
 5. Ceiling Rents: Maximum rent limits and based on the reasonable market value of the housing. Ceiling rents are reviewed annually.
 6. Child: A member of the family, other than the family head or spouse, who is under 18 years of age.
 7. Child Care Expense: 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 be gainfully employed or to further his/her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care, and, in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment.
 8. Citizen: A citizen or national of the United States.

9. Contract Rent: The rent HUD authorized an owner to collect for a unit occupied by a household receiving assistance.
10. Co-tenant: A person who shares the dwelling unit and is treated as a head of the house for purposes of intake, eligibility, screening, and occupancy.
11. Current Illegal Use of Drugs: The use of drugs that occurred recently enough to justify a reasonable belief that a person's drug use is current or that continuing use is a real and ongoing problem. The owner has established in the Tenant Selection Plan reasonable policies and procedures to ensure that an individual who formerly engaged in the illegal use of drugs is not currently using illegal drugs.
12. Dependent: A member of the household, other than head, spouse, sole member, foster child, or live-in aide, who is under 18 years of age, or 18 years of age older and disabled, handicapped, or a full-time student. (Note: a pregnant woman is not entitled to the dependent allowance until after the birth of the child.)
13. Disabled Person: A person under a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423) or who has a developmental disability as defined in Section 102 (7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 (7)).
14. Discrimination: The unlawful consideration of such characteristics as race, color, creed, religion, national origin, sex, age, sexual orientation, handicap/disability, familial or marital status, status with regard to public assistance or class membership in the selection or provision of services to applicants and tenants.
15. Displaced Person: A person displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under Federal disaster relief laws.
16. Domestic Violence: Actual or threatened physical violence directed against a person or one or more of that person's family members by a spouse or other household member.
17. Drug-Related Criminal Activity: The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance.
18. Elderly Family: A Family whose head or spouse/co-head (or sole member) is an Elderly, Disabled or Handicapped Person. It may include two (2) or more Elderly, Disabled or Handicapped Persons living together, or one or more of these persons living with one or more Live-in Aides.
19. Elderly Person: A person who is at least 62 years of age.
20. Family: A Family consists of; a) two (2) or more persons who have a stable family-type relationship; b) an elderly family; or c) a displaced person.
21. Flat Rents: The flat rent is based on the value of the unit and designed so that it does not discourage families working towards economic self-sufficiency. Flat rents are reviewed annually.

22. Full-Time Student: A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.
23. Handicapped Assistance Expenses: Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled Family member and that are necessary to enable a Family member (including the Handicapped or Disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.
24. Handicapped Person: A person having a physical or mental impairment that; (a) is expected to be of long-continued and indefinite duration; (b) substantially impedes his/her ability to live independently; and (c) is of such nature that such ability could be improved by more suitable housing conditions.
25. Hate Crime: Actual or threatened physical violence or intimidation that is directed against a person or his property and that is based on the person's race, color, religion, sex, national origin, handicap or familial status.
26. Head of the Household: The head of the household refers to the family member who is held responsible and accountable for the household.
27. Household: The individual, family, or group of individuals living together as a unit.
28. House Rules: Rules established by the owner for the safety, care and comfort of the tenants. The House Rules are attachment to, and part of, the lease.
29. HUD 50058: The form required by HUD to certify eligibility to receive assistance.
30. HUD Passbook Rate: The percentage rate applied to determine the imputed income from assets when the total cash value of the household's assets exceeds \$5,000.
31. Imputed Income from Assets: The estimated earning potential of assets held by a tenant using the potential earning rate established by HUD.
32. INS: The United States Immigration and Naturalization Service.
33. Income: The amount of money received (actual or projected) by a household during the course of the year.
34. Ineligible Applicant: An applicant who is ineligible to receive assistance.
35. Initial Certification: The first certification of eligibility completed for a tenant.
36. Interim Adjustment: A re-certification completed between regular re-certification dates as the result of changes in the tenant's circumstances.

37. Lease: The contractual agreement between the owner and the tenant that established the rights, responsibilities, and obligations of each party and the conditions for the rental of the unit. The lease must be signed and dated by all assisted tenants.
38. Lessee: Members of the tenants household who must sign the lease in order for it to be legal and binding.
39. Lessor: The owner and/or management agent assigns who rents a unit under a lease.
40. Live-In Aide: A person who resides with an elderly, disabled, or handicapped person(s) and who; (a) is determined by the HRA to be essential to the care and well being of the person(s); (b) is not obligated for support of the person(s); and (c) would not be living in the unit except to provide necessary supportive services.
41. Lower Income Family: A Family whose Annual Income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families. HUD may establish income limits higher or lower on the basis of its finding that such variations are necessary because of prevailing levels of constructions costs or unusually high or low family incomes.
42. Medical Expenses: Those medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered any insurance.
43. Medical Expense Allowance: For purpose of adjusted income determination, for elderly families only, medical expense allowance means the medical expense in excess of 3% of Annual Income, where these expenses are not compensated for or covered by insurance.
44. Mixed Family: A family whose members include those with citizenship or eligible immigration status, and those citizenship or eligible immigration process.
45. Monthly Adjusted Income: One-twelfth of adjusted income, (annual income less allowances).
46. Monthly Income: One twelfth of Annual Income.
47. Near Elderly Family: A family whose head or spouse/co-head (or sole member) is at least 50 years of age and below the age of 62 years.
48. Net Family Assets: The net cash value, after deducting reasonable costs that would be incurred in disposing of the asset.
49. Public Housing Agency (PHA): Any State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development or operation of housing for lower income families.
50. Re-certification: The process of annually re-determining and verifying an assisted tenant's eligibility to continue receiving assistance.

51. Security Deposit: The amount collected from the tenant at the time of move-in that is held against future damages or non-payment of rent.
52. Single Person: A person who lives alone or intends to live alone and who does not qualify as an elderly family or a displaced person or as the remaining member of a tenant Family.
53. Single Room Occupancy (SRO): A unit which contains no sanitary facilities or food preparation facilities, or which contains one but not both types of facilities and which is suitable for occupancy by a single eligible individual capable of independent living.
54. Spouse: The husband or wife of the head of the household.
55. Tenant Rent: The amount payable monthly by the Family as rent to the HRA. Where all utilities (except telephone) and other essential housing services are supplied by the HRA, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone) and other essential housing services are not supplied by the HRA and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less the Utility Allowance.
56. Total Tenant Payment: The monthly amount calculated as defined in Part 8, of this Policy.
57. 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 the HRA or HUD, as defined in Appendix C, of this Policy, of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservation household of modest circumstances consistent with the requirements of a safe, sanitary and healthful living environment.
58. Utility Reimbursement: The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the Family occupying the unit.
59. Very Low-Income Family: A Lower Income family whose Annual Income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.
60. Welfare Assistance: Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments.

APPENDIX A

INCOME LIMITS FOR OCCUPANCY

January 31, 2003

Family Size	<u>Extremely Low Income</u> Wabasha County 30% of Median Income	<u>Low Income</u> Wabasha County Pre 10/01/81 (A building)	<u>Very Low Income</u> Wabasha County Post 10/01/81	<u>Extremely Low Income</u> Goodhue County 30% of Median	<u>Extremely Low Income</u> Dodge County 30% of Median
1	\$11,550	\$30,750	\$19,200	\$13,150	\$13,000
2	\$13,200	\$35,150	\$21,950	\$15,050	\$14,850
3	\$14,800		\$24,700	\$16,950	\$16,700
4	\$16,450		\$27,450	\$18,800	\$18,550
5	\$17,800		\$29,650	\$20,300	\$20,000
6	\$19,100		\$31,850	\$21,800	\$21,500
7	\$20,400		\$34,050	\$23,300	\$23,000
8+	\$21,750		\$36,250	\$24,850	\$24,450

Effective December 10, 1998

Of the public housing dwelling units made available for occupancy in any fiscal year by eligible families, not less than 40 percent (40%) shall be occupied by families whose incomes, at the time of commencement of occupancy, do not exceed 30 percent (30%) of the area median income per family size.

APPENDIX B

SECURITY DEPOSIT

The Security Deposit for tenants of family housing is \$ 250.00.

The Security Deposit for tenants of elderly housing is \$ 150.00.

The Security Deposit for pets in the elderly and family housing is \$ 300.00.

Pets will not be permitted in the family buildings.

APPENDIX C

UTILITY ALLOWANCES
IF APPLICABLE
Effective April 1, 2002

Unit Size	Utility Schedule
One Bedroom	\$23.00
Two Bedrooms	\$107.00
Three Bedroom Duplex	\$121.00
Three Bedroom Townhouse - Wabasha	\$131.00
Three Bedroom House	\$166.00
Four Bedroom House	\$145.00

The utility allowance schedule is based on utility consumption of major appliances such as heating furnace, hot water heater, range and refrigerator. The electricity allowance also includes consumption for minor electric appliance such as toasters and can openers.

Tenants may supply and use other major appliances with Authority approval (e.g. air conditioners, freezers), but the utility cost of these appliances is paid by the tenant.

EXCESS UTILITY CHARGES

Tenants utilizing the following appliances and/or services are required to pay the following amounts:

ITEM	AMOUNT PAID IN ADDITION TO RENT BY TENANT
AIR CONDITIONER	\$17.00 per month (June, July & August)
EXTRA REFRIGERATOR	\$ 4.00 per month
FREEZER	\$ 4.00 per month
HEAD BOLT HEATER	\$ 6.00 per month (December – March)

APPENDIX D

FAIR HOUSING AND EQUAL OPPORTUNITY REQUIREMENTS

STATEMENTS OF NON-DISCRIMINATION

It is the policy of HRA to comply fully with Title VI of the Civil Rights Act of 1964, the Federal Fair Housing Act, Executive Order 11063, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title II of the Americans with Disabilities Act, the Minnesota Human Rights Act, and any legislation protecting the individual rights of residents, applicants or staff which may subsequently be enacted.

Under Federal Law it is illegal to discriminate against any person or group of persons because of race, color, religion, sex, handicap, familial status or national origin.

The Minnesota Human Rights Act prohibits discrimination because of race, color, creed, religion, national origin, sex, age, disability, marital status, status with regard to public assistance, sexual orientation, or familial status. In addition, the HRA will must comply with local fair housing and civil rights laws.

HRA shall not:

- Deny any family the opportunity to apply for housing nor deny to any eligible applicant the opportunity to lease housing suitable to its needs;
- Provide housing which is different than that provided others;
- Subject a person to segregation or unequal or different treatment;
- Restrict a person's access to any benefit enjoyed by others in connection with the housing program;
- Treat a person differently in determining eligibility or other requirements for admissions;
- Deny a person access to the same level of services; or
- Deny a person the opportunity to participate in a planning or advisory group which is an integral part of the housing program.

HRA shall not automatically deny admission to a particular group or category of otherwise eligible applicants; (i.e. single head of household with children, elderly pet owners, or families whose head or spouse is a student). Each applicant in a particular group or category will be treated on an individual basis in the normal processing routine.

HRA will seek to identify and eliminate situations or procedures which create a barrier to equal housing opportunity for all. In accordance with Section 504, management staff will make physical or procedural changes to permit individuals with disabilities to have full advantage of the housing program. Such accommodations may include changes in the method of administering policies, procedures or services.

In addition, HRA may perform structural modifications to housing and non-housing facilities where such modifications would be necessary to afford full access to the housing program for qualified individuals with handicaps.

In reaching a reasonable accommodation with, or performing structural modifications for, otherwise qualified individuals with handicaps, HRA is not required to:

- Make structural alterations that require the removal or altering of a load-bearing structural member,
- Provide an elevator in any multi-family housing development solely for the purpose of locating accessible units above or below grade level;
- Provide support services that are not already part of its housing programs;
- Take any action that would result in a fundamental alteration in the nature of the program or service;
- Take any action that would result in an undue financial and administrative burden on HRA.

APPENDIX E

PRIVACY POLICY

It is the policy of HRA to protect the privacy of individuals covered by the Federal Privacy Act of 1974, and to ensure the protection of such individuals verification records maintained by the property.

This information may be released to appropriate federal, state and local agencies, when relevant, and to civil, criminal or regulatory investigators or prosecutors. However, the information will not be otherwise disclosed or released unless the individual gives written authorization to do so.

The privacy policy in no way limits HRA's ability to collect such information as it may need to determine eligibility, compute rent, or determine an applicant's suitability for tenancy.

Consistent with the intent of Section 504 of the Rehabilitation Act of 1973, any information obtained on handicap or disability will be treated in a confidential manner.

APPENDIX F

PET POLICIES

PET: Pets are allowed in the elderly buildings as long as the rules regarding pets are followed completely. Pet owners will be required to pay an additional \$100.00 pet deposit which will be refunded at the termination of occupancy should there be no damage caused by the animal.

- ☞ ALL PETS MUST BE REGISTERED WITH THE MANAGEMENT.
- ☞ A pet will generally be defined as a common household pet, i.e. cats and dogs. One animal of a small size (under 20 pounds when full grown).
- ☞ Pet owners must provide evidence that the pet has received all necessary vaccinations.
- ☞ All pets must be spayed or neutered.
- ☞ All animals will be confined to the owner's apartment and may not roam the halls or common areas freely.
- ☞ When animals are taken out of the building, they must be leashed and held in the owners arms until they are outside.
- ☞ Owners must be with their leashed animals at all times when outside the building. Animals may not be let out on their own to run or prowl.
- ☞ In case of complaints that an animal is causing a disturbance or nuisance, management may require the owner to remove the pet. Failure to do so could be grounds for eviction.
- ☞ All owners of pets must provide the management with a verifiable statement of the name, address and telephone number of a person who will care for the animal temporarily in case of emergency where the resident is unable to make arrangements for the pet.
- ☞ It is the pet owner's responsibility to dispose of all waste material from the animal, inside and outside of the building. Waste material must be disposed of in a tied, plastic bag. The bags may not be thrown down the garbage chutes.
- ☞ Lease item 12. a & c require that the resident maintain the unit in a clean & safe condition and not to destroy, deface or damage any part of the dwelling unit. If the management determines that the pet is causing damage to the property (urinating on carpet, digging at the flooring, walls, or wood work, etc.) or the resident is not maintaining the unit in a clean and sanitary manner; the management will require that the resident remove the pet from the unit. If the resident refuses to find another home for the pet as requested, the management will terminate the lease as per Lease item 16. f & i.

The resident must provide proof that the pet has a license, in accordance with any state or local laws. Registration of the pet must be kept current. Information regarding the registration is to be provided to the management on an annual basis.

If the pet owner is in violation of any of the stated regulations he/she will receive a written warning from management concerning the infraction. A second warning will also be issued if needed. A third violation will result in owner relinquishing the right to the possession of their pet on the property.

I (we) hereby acknowledged receipt of the Pet Regulations and understand that I (we) must abide by these guidelines, as required by our lease agreement and the handbook.

RE: Complex _____ Unit #

Acknowledge and Agreed:

Date

APPENDIX G

POLICY ON MOVE-OUT INSPECTIONS AND CLEANING

Tenant may request move-out inspection after giving 30 day notice. The Manager will remind the tenant of their move-out responsibilities. The Manager will walk through the unit with the tenant noting damage and items that will need extra cleaning. If the tenant has not given a forwarding address to management it can be done at this time. The tenant now has the time to repair damage and complete required cleaning.

The HRA will complete a move-out inspection upon the relocation of a tenant.

The tenant is responsible to leave the entire unit in move-in condition. If the Custodian has to put in more than one hour of time for each bedroom in the unit (1 bedroom for 1 hour, 2 bedrooms for 2 hours, etc) the tenant will be charged the Custodians current wage for any time over and above. The tenant will also be charged for any damages and the current wage of the Maintenance person doing the repair.

If the unit has been painted within the past three (3) years the HRA does not intend to repaint. If the HRA has to paint due to the tenants neglect, the tenant will be charged for time and material.

APPENDIX H

REPAYMENT AGREEMENT POLICY

It is the policy of the Southeastern Minnesota Multi-County Housing and Redevelopment Authority that we will not provide Rental Assistance nor Public Housing to a family who has an indebtedness to this Housing Authority until either the balance is paid in full or a Repayment Agreement has been executed.

A minimum down-payment of 20% of the balance is required at the time the Agreement is executed. Monthly payment amount will be established after a review of all relevant family income information.

The applicant and/or tenant will remain in good standing with the Housing Authority as long as all payments are received in a prompt timely manor. Failure to abide by this Repayment Agreement will result in one or more of the following actions:

- A. Section 8 applicants and/or Public Housing applicants will have their applications withdrawn until payment in full has been received.
- B. Section 8 tenants will have their rental assistance terminated, providing proper notice to the landlord.
- C. Public Housing and Section 8 tenants will have their accounts referred to: the Minnesota Revenue Recapture agency, a credit bureau and other appropriate clearinghouses that maintain debt information.

It should be noted that this Agreement will be in default when TWO (2) payments are delinquent. When the Repayment Agreement is in default, **NO FUTURE REPAYMENT AGREEMENT WILL BE MADE WITH THE SAME FAMILY ALL MONIES DUE IN FULL.**

Schedule of Routine Tenant Charges

In addition to payments for rent and excess utilities, tenants will be required to reimburse the Housing Authority for:

- ❖ The cost incurred in the repair or replacement of Housing Authority property which has been damaged or lost through tenant's abuse or negligence.
- ❖ The performance of services, which are the stated obligation of the tenants under the dwelling lease (example; lawn care or snow removal – if applicable).

Charges to the tenant for items will be billed based on the actual cost incurred by the Housing Authority in the purchase and delivery of materials or equipment.

Work performed by the Housing Authority staff will be charged at the rate of one hundred percent (100%) of the hourly wage rate with benefits paid to the employee performing the work.

If the tenant is responsible to care for the lawn and/or snow removal, as stated in the lease, and neglects these responsibilities the tenant will be charged at the rate of one hundred percent (100%) of the hourly wage rate with benefits paid to the employee performing the work plus mileage at 36 cents per mile.

Lock Out Fee (after working hours) – if the staff are requested to come to the residence to un-lock a door the tenant will be charged at the rate of one hundred fifty percent (150%) of the hourly wage rate with benefits paid to the employee performing the work in addition to the mileage to and from the unit, at 36 cents per mile. If the lock out occurs during working hours the charge will be assessed at 100% of the wage rate (minimum 1 hour).

Move Out Cleaning Tenants will not be charged for normal wear & tear cleaning which would include cleaning carpets, disinfecting kitchens and bathrooms and preparing the unit for the next tenant. Normal wear & tear cleaning will be described as one hour per bedroom in the unit. Any time over and above one hour per bedroom will be charged to the tenant at the rate of one hundred percent (100%) of the hourly wage rate with benefits paid to the employee performing the work.

SECTION 8 ADMINISTRATIVE PLAN

Notice to all holders of the Section 8 Administrative Plan:

The policies contained herein are subject to change, without prior notice to policyholders, by action of the Department of Housing and Urban Development and/or the Commissioners of the Southeastern Minnesota Multi-County Housing and Redevelopment Authority (SEMMCHRA). The regulations of the Department of Housing and Urban Development for the Section 8 program are incorporated by reference as if fully set forth herein.

Approved 11/19/2003
Revised July 21, 2004
Revised September 15, 2004

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SECTION 8 ADMINISTRATIVE PLAN

1.0 EQUAL OPPORTUNITY

1.1 FAIR HOUSING

It is the policy of the SEMMCHRA to comply fully with all Federal, State, and local nondiscrimination laws; the Americans With Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

No person shall, on the ground of race, color, sex, religion, national or ethnic origin, familial status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the SEMMCHRA housing programs.

To further its commitment to full compliance with applicable Civil Rights laws, the SEMMCHRA will provide Federal/State/local information to applicants for and participants in the Section 8 Housing Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be made available with the application, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the SEMMCHRA office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The SEMMCHRA will assist any family that believes they have suffered illegal discrimination by providing them copies of the housing discrimination form. The SEMMCHRA will also assist them in completing the form, if requested, and will provide them with the address of the nearest HUD Office of Fair Housing and Equal Opportunity.

1.2 REASONABLE ACCOMODATION / MITIGATING CIRCUMSTANCES

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the SEMMCHRA housing programs and related services. When such accommodations are granted they do not confer special treatment or advantage for the person with a disability; rather, they make the program fully accessible to them in a way that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines the SEMMCHRA will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the SEMMCHRA will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

Mitigating circumstances would be facts, (that can be verified), that would overcome or outweigh information gathered in the tenant screening process.

Acceptable evidence of mitigating circumstances may include the following:

- Verification that unacceptable past behavior is either no longer in effect or otherwise controlled.

- Applicants who claim unacceptable behavior resulting from alcoholism or drug addiction must verify that they are not currently engaging in alcohol abuse or the use of illegal drugs. Current abuse is defined as use more than 120 days prior to the date of application.

1.3 COMMUNICATION

The HRA will endeavor to have bilingual staff or access to people who speak languages other than English to assist non-English speaking families.

The HRA will provide the hearing impaired accessibility through the Minnesota Relay Service (MRS). The deaf, hard of hearing, or speech impaired person calls 1-800-627-3529. A communications assistant types everything you say to the deaf, hard-of-hearing, or speech impaired person and reads back what they type to you.

1.4 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION

Anyone requesting an application will also receive a Request for Reasonable Accommodation Form.

Notifications of reexamination, inspection, appointment, or eviction will include information about requesting a reasonable accommodation. Any notification requesting action by the participant will include information about requesting a reasonable accommodation.

All decisions granting or denying requests will be in writing.

A. Is the requestor a person with disabilities? For this purpose the definition of disabilities is different than the definition used for admission. The Fair Housing definition used for this purpose is:

1. A person with a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment. (The disability may not be apparent to others, i.e., a heart condition).

If the disability is apparent or already documented, the answer to this question is yes. It is possible that the disability for which the accommodation is being requested is a disability other than the apparent disability. If the disability is not apparent or documented, the SEMMCHRA will obtain verification that the person is a person with a disability.

B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, the SEMMCHRA will obtain documentation that the requested accommodation is needed due to the disability. The SEMMCHRA will not inquire as to the nature of the disability.

C. Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet two criteria:

1. Would the accommodation constitute a fundamental alteration? The SEMMCHRA business is housing. If the request would alter the fundamental business that the SEMMCHRA conducts, that would not be reasonable. For instance, the SEMMCHRA would deny a request to have the SEMMCHRA do grocery shopping for the person with disabilities.
2. Would the requested accommodation create an undue financial hardship or administrative burden? Frequently the requested accommodation costs little or nothing. If the cost would be an undue burden, the SEMMCHRA may request a meeting with the individual to investigate and consider equally effective alternatives.

Generally the individual knows best what they need; however, the SEMMCHRA retains the right, to be shown how the requested accommodation enables the individual to access or use the SEMMCHRA programs or services.

If more than one accommodation is equally effective in providing access to the SEMMCHRA programs and services, the SEMMCHRA retains the right to select the most efficient or economic choice.

The cost necessary to carry out approved requests will be borne by the SEMMCHRA if there is no one else willing to pay for the modifications. If another party pays for the modification, the SEMMCHRA will seek to have the same entity pay for any restoration costs.

If the participant requests, as a reasonable accommodation, that he or she be permitted to make physical modifications to their dwelling unit, at their own expense, the request should be made to the property owner/manager. The Housing Authority does not have responsibility for the owner's unit and does not have responsibility to make the unit accessible.

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

1.5 APPLICATION AND BRIEFING SITES

The HRA's application and briefing sites will be accessible to the public.

Application Options:

1. Regular office hours. Applications will be taken on-site, during regular office hours (8:00 to 4:30, Monday through Friday) on a walk in basis.
2. Applications by mail and fax. Applicants may request an application by calling 1-800-450-4501 or 651-565-2638 or fax 651-565-3836. The application will be mailed or faxed as requested. Completed applications may be returned by mail or fax.
3. Home visits. Home visits will be done on a case by case basis for those elderly, disabled persons unable to attend a briefing.

1.6 FAMILY/OWNER OUTREACH

A. Communication

The SEMMCHRA will publicize the availability and nature of the Section 8 Program for extremely low-income, very low and low-income families in a newspaper of general circulation, minority media, and by other suitable means.

To reach persons, who cannot or do not read newspapers, the SEMMCHRA will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service personnel. The SEMMCHRA will also try to utilize public service announcements.

The SEMMCHRA will communicate the status of program availability to other service providers in the community and advise them of housing eligibility factors and guidelines so that they can make proper referral of their clients to the program.

The SEMMCHRA will hold briefings for owners who participate in or who are seeking information about the Section 8 Program. The briefing is intended to:

1. Explain how the program works;
2. Explain how the program benefits owners;
3. Explain owners' responsibilities under the program. Emphasis is placed on quality screening and ways the SEMMCHRA helps owners do better screening; and;
4. Provide an opportunity for owners to ask questions, obtain written materials, and meet SEMMCHRA staff.

The SEMMCHRA will particularly encourage owners of suitable units located outside of low-income or minority concentration to attend. Targeted mailing lists will be developed and announcements mailed.

1.7 RIGHT TO PRIVACY

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

Any request for applicant or participant information will not be released unless there is a signed release of information request from the applicant or participant.

1.8 REQUIRED POSTINGS

The SEMMCHRA will post in each of its offices in a conspicuous place and at a height easily read by all persons including persons with mobility disabilities, the following information:

A. Documents to be posted:

1. The Section 8 Administrative Plan
2. Notice of the status of the waiting list (opened or closed)
3. Address of all SEMMCHRA offices, office hours, telephone numbers, MRS numbers, and hours of operation
4. Income Limits for Admission
5. Informal Review and Informal Hearing Procedures
6. Fair Housing Poster
7. Equal Opportunity in Employment Poster

2.0 SEMMCHRA/OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY

This Section outlines the responsibilities and obligations of the SEMMCHRA, the Section 8 Owners/Landlords, and the participating families.

2.1 SEMMCHRA RESPONSIBILITIES

- A. The SEMMCHRA will comply with the consolidated ACC, the application, HUD regulations and other requirements, and the SEMMCHRA Section 8 Administrative Plan.
- B. In administering the program, the SEMMCHRA must:
 - 1. Publish and disseminate information about the availability and nature of housing assistance under the program;
 - 2. Explain the program to owners and families;
 - 3. Seek expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration;
 - 4. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration;
 - 5. Affirmatively further fair housing goals and comply with equal opportunity requirements;
 - 6. Make efforts to help disabled persons find satisfactory housing;
 - 7. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, issue a voucher to each selected family, and provide housing information to families selected;
 - 8. Determine who can live in the assisted unit at admission and during the family's participation in the program;
 - 9. Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR part 5;
 - 10. Review the family's request for approval of the tenancy and the owner/landlord lease, including the HUD prescribed tenancy addendum;
 - 11. Inspect the unit before the assisted occupancy begins and at least annually during the assisted tenancy;

12. Determine the amount of the housing assistance payment for a family;
13. Determine the maximum rent to the owner and whether the rent is reasonable;
14. Make timely housing assistance payments to an owner in accordance with the HAP contract;
15. Examine family income, size and composition at admission and during the family's participation in the program. The examination includes verification of income and other family information;
16. Establish and adjust SEMMCHRA utility allowance;
17. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the SEMMCHRA, if the owner defaults (e.g., HQS violation);
18. Determine whether to terminate assistance to a participant family for violation of family obligations;
19. Conduct informal reviews of certain SEMMCHRA decisions concerning applicants for participation in the program;
20. Conduct informal hearings on certain SEMMCHRA decisions concerning participant families;
21. Provide sound financial management of the program, including engaging an independent public accountant to conduct audits; and
22. Administer an FSS program.

2.2 OWNER RESPONSIBILITY

- A. The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.
- B. The owner is responsible for:
 1. Performing all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
 2. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.

3. Complying with equal opportunity requirements.
 4. Preparing and furnishing to the SEMMCHRA information required under the HAP contract.
 5. Collecting from the family:
 - a. Any security deposit required under the lease.
 - b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment).
 - c. Any charges for unit damage by the family.
 6. Enforcing tenant obligations under the lease.
 7. Paying for utilities and services (unless paid by the family under the lease.)
- C. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.
- D. Owners are encouraged to screen families on the basis of their tenancy histories. To assist the owner in conducting his or her own screening the HRA will provide the owner with:
1. The family's current and prior address (as shown in the HRA records); and
 2. The name and address (if known) of the landlord at the family's current and prior addresses.

2.3 OBLIGATIONS OF THE PARTICIPANT

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

- A. Supplying required information.
1. The family must supply any information that the SEMMCHRA 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.
 2. The family must supply any information requested by the SEMMCHRA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

3. The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information.
 4. Any information supplied by the family must be true and complete.
- B. HQS breach caused by the Family
1. The family is responsible for any HQS breach caused by the family or its guests.
- C. Allowing SEMMCHRA Inspection
1. The family must allow the SEMMCHRA to inspect the unit at reasonable times and after at least 2 days notice.
- D. Violation of Lease
1. The family may not commit any serious or repeated violation of the lease.
- E. Family Notice of Move or Lease Termination
1. The family must notify the SEMMCHRA and the owner before the family moves out of the unit or terminates the lease by a notice to the owner.
- F. Owner Eviction Notice
1. The family must promptly give the SEMMCHRA a copy of any owner eviction notice it receives.
- G. Use and Occupancy of the Unit
1. The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.
 2. The SEMMCHRA must approve the composition of the assisted family residing in the unit. The family must promptly inform the SEMMCHRA of the birth, adoption or court-awarded custody of a child. The family must request approval from the SEMMCHRA to add any other family member as an occupant of the unit. No other person (i.e., no one but members of the assisted family) may reside in the unit, (except for a foster child/foster adult or live-in aide as provided in paragraph (4) of this Section).
 3. The family must promptly notify the SEMMCHRA if any family member no longer resides in the unit.
 4. If the SEMMCHRA has given approval, a foster child/foster adult or a live-in aide may reside in the unit. The SEMMCHRA has the discretion to adopt reasonable policies

concerning residence by a foster child/foster adult or a live-in aide and defining when the SEMMCHRA consent may be given or denied.

5. Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.
6. The family must not sublease or let the unit.
7. The family must not assign the lease or transfer the unit.

H. Absence from the Unit

1. The family must supply any information or certification requested by the SEMMCHRA to verify that the family is living in the unit, or relating to family absence from the unit, including any SEMMCHRA requested information or certification on the purposes of family absences. The family must cooperate with the SEMMCHRA for this purpose. The family must promptly notify the SEMMCHRA of its absence from the unit.

Absence means that no member of the family is residing in the unit. The family may be absent from the unit for up to 30 days. The family must request permission from the SEMMCHRA for absences exceeding 30 days. The SEMMCHRA will make a determination within 5 business days of the request. An authorized absence may not exceed 180 days. Any family absent for more than 30 days without authorization will be terminated from the program.

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

I. Interest in the Unit

1. The family may not own or have any interest in the unit (except for owners of manufactured housing renting the manufactured home space).

J. Fraud and Other Program Violation

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

K. Crime by Family Members

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

L. Other Housing Assistance

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

3.0 ELIGIBILITY FOR ADMISSION

3.1 INTRODUCTION

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

3.2 ELIGIBILITY CRITERIA

A. Family status.

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

4. A disabled family, which is:
 - a. A family whose head, spouse, or sole member is a person with disabilities;
 - b. Two or more persons with disabilities living together; or
 - c. One or more persons with disabilities living with one or more live-in aides.
5. A displaced family is a family in which each member, or whose sole member, has been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
6. A remaining member of a tenant family.
7. A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

B. Income eligibility

1. To be eligible to receive assistance a family shall, at the time the family initially receives assistance under the Section 8 program shall be a low-income family that is:
 - a. A extremely low-income family, which is set at 30% of the area median income;
 - b. A very low-income family, which is set at 50% of the area median income;
 - c. A low-income family, which is set at 80% of the area median income; continuously assisted under the 1937 Housing Act;
 - d. A low-income family that meets additional eligibility criteria specified by the Housing Authority;

A low-income family or moderate-income family, that is displaced, as a result of the prepayment of the mortgage, or voluntary termination of an insurance contract on eligible low-income housing.
2. Income limits apply only at admission and are not applicable for continued occupancy; however, as income raises the assistance will decrease.
3. The applicable income limit for issuance of a voucher is the highest income limit for the family size for areas within the housing authority's jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.
4. Families who are moving into the SEMMCHRA jurisdiction under portability and have

the status of applicant rather than of participant at their initial housing authority, must meet the income limit for the area where they were initially assisted under the program.

5. Families who are moving into the SEMMCHRA jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for the SEMMCHRA program.
6. Income limit restrictions do not apply to families transferring units within the SEMMCHRA Section 8 Programs.

C. Citizenship/Eligible Immigrant status

1. LIMITS ON ASSISTANCE TO NON-CITIZENS

Eligibility for federal housing assistance is limited to U.S. citizens and applicants who have eligible immigration status. Eligible immigrants are persons who qualify for one of the immigrant categories in Table 5-1. Persons claiming eligible immigration status must present appropriate immigration documents, which must be verified by the HRA through the Immigration and Naturalization Service (INS).

Every applicant household for (and participant in) the housing choice voucher program must sign a certification for every household member either claiming status as:

- a. A U.S. citizen, or
- b. An eligible alien, or
- c. Stating the individual's choice not to claim eligible status and acknowledge ineligibility.

2. DECLARATION OF U.S. CITIZENSHIP

For household members claiming U.S. citizenship, only a declaration signed by the household member (or in the case of a minor child, parent) is required by regulation.

3. DOCUMENTATION OF ELIGIBLE IMMIGRATION STATUS

Non-citizens claiming eligible immigration status must provide all of the following evidence:

- a. The signed declaration of eligible immigration status;
- b. One of the INS documents specified in the rule
- c. A signed verification consent form describing transmission and use of the information obtained.

Families in which all members are citizens or have eligible immigration status are eligible for full housing assistance.

An applicant family without any citizens or members with eligible immigration status is not eligible for assistance.

Non-citizen students are not eligible to receive housing assistance. When a non-citizen spouse and / or minor children accompany a non-citizen student, those family members are also ineligible for assistance. However, citizen spouses and the children of the citizen spouse and non-citizen student are eligible for assistance. When a household includes eligible and ineligible members it is treated as a “mixed family” as described below. A non-citizen student is defined as a bona fide student who:

- a. Is pursuing a course of study in this country;
- b. Has a residence in another country outside of the United States that the person has no intention of abandoning; and
- c. Is admitted to this country temporarily, solely for the purpose of pursuing a course of study.

4. MIXED FAMILIES

Families that include members who are citizens or have eligible immigration status and members who do not have eligible immigration status (or elect not to state that they have eligibility status) are referred to as “mixed families”.

A mixed family is eligible for prorated assistance. Prorated assistance is a calculation of subsidy based on the number of members who are citizens or have eligible immigration status.

5. NOTIFICATION REQUIREMENTS

At the time an application is filed, the HRA must notify all applicants for assistance about the rule restricting assistance based on citizenship status and of the requirement to submit documentation of eligible status or to elect not to claim eligible status. The HRA notice must state the following:

- a. Financial assistance is contingent upon the appropriate submission and verification of documentation of citizenship or eligible immigration status.
- b. The types of documentation required and time period for submission.

As appropriate, assistance will be prorated, denied, or terminated, based on the final determination of ineligibility after all appeals and, if requested, an informal hearing.

6. SUBMISSION OF DOCUMENTATION

a. Documentation must be submitted by the time of the eligibility determination. Once documents have been submitted and verified for an individual, citizenship documentation for the individual will not need to be collected again.

b. If the family certifies that the required evidence is temporarily unavailable and it needs more time, the HRA may provide an extension of up to 30 days to submit evidence of eligible status, if the family has submitted the required declaration of eligible immigration status. To obtain an extension, the family must also certify that prompt and diligent efforts will be undertaken to obtain the evidence.

- c. The HRA must inform the family, in writing, whether its request for a time extension of has been granted or denied. If granted, the notice must state the specific period of the extension. If the extension request is denied, the notice must explain the reasons for the denial.
- d. If all required documents have been provided by the family, assistance may not be denied or delayed solely because verification or requested hearings have not been completed.
- e. If required all family members have not submitted documents, only prorated assistance may be provided until all family members have submitted the required documents.
- f. New family members in currently participating households must submit documentation at the first interim or annual reexamination following occupancy.
- g. If a HRA suspects that an applicant or tenant has misreported his or her immigration status or altered or forged documents, it may refer the case to HUD's Office of Inspector General for investigation.
- h. HRA must apply all procedures in a uniform manner. No applicant or resident may be asked for additional information based on country of origin, speech, accent, language, or any other personal characteristic of the applicant or family member. Failure to maintain this performance standard could be a serious violation of the Fair Housing Act.

7. VERIFICATION OF ELIGIBLE IMMIGRATION STATUS

The HRA must conduct primary verification of eligible immigration status through the INS automated system, Systematic Alien Verification for Entitlements (SAVE). The HRA must take the following steps to access SAVE.

- a. Complete and submit a Primary Verification User Access Code Agreement form before using SAVE for the first time.
- b. Each time, access the SAVE system by calling 1-800-365-7620.
- c. Use the assigned access code to enter the required information. One of the following messages will be received:
 - 1. INS Status confirmed; or
 - 2. Institute Secondary Verification.
- d. If the message is "Institute Secondary Verification", the HRA must request a manual records search by completing form G-845S, Document Verification Request. This form must be sent to the INS along with photocopies of the original INS documents supplied by the applicant or currently assisted household member within 10 days of receiving the "Institute Secondary Verification" message.
- d. The HRA is not liable for any action, delay, or failure of the INS in conducting the automated or manual verification.

8. DELAY, DENIAL, OR TERMINATION OF ASSISTANCE

- a. The HRA may not delay, deny, or terminate assistance to an applicant or currently assisted household if any of the following circumstances apply:
1. At least one person in the household has submitted appropriate INS documents;
 2. The documents were submitted to the INS on a timely basis, but the verification process has not been completed;
 3. The family member in question moves;
 4. The INS appeals process has not been completed;
 5. Assistance is prorated;
 6. Deferral of termination of assistance is granted; or
 7. For a program participant, the informal hearing process is not complete.
- b. The HRA must terminate assistance for at least 24 months if it determines that a family has knowingly permitted an ineligible person to live in the assisted unit without informing the HRA.

Assistance may be denied or terminated when:

1. Declaration of citizenship or eligible immigration status is not submitted by the specified deadline or any extension;
 2. Required documentation is submitted but INS primary and secondary verification does not verify immigration status and family does not pursue INS or HRA appeal; or
 3. Required documentation is submitted but INS primary and secondary verification does not verify immigration status, and INS or HRA appeal is pursued but decision(s) are rendered against the family.
- c. When the HRA decides to deny or terminate assistance, it must send a written notice to the household, which includes the following:
1. A statement that financial assistance will be denied or terminated and an explanation of why;
 2. Notification that the family may be eligible for prorated assistance if it is a mixed family;
 3. In the case of a currently assisted household, the procedures for obtaining relief under the preservation of families provision (e.g. temporary deferral or proration of assistance);
 4. The right to appeal the results of the secondary verification to the INS; and
 5. The right to request an informal hearing from the HRA in lieu of an INS appeal or after an appeal.

In the case of applicants, the notice may advise that assistance may not be delayed until the conclusion of the INS appeal process, but may be delayed during the informal hearing process.

D. Social Security Number Documentation

All family members 6 years of age and older must provide a Social Security Number or certify that they do not have one, as a condition of admission and continued assistance. A person who has not been assigned a SSN must execute a certification stating that no SSN has been assigned.

This process need occur only one time for each family member. New family members age six or older should be required to disclose or certify at the time the change in family composition is reported to the HRA or the next annual re-certification after a family member reaches age six. A parent or guardian must provide the certification for a minor. The HRA will document the SSN disclosed by each family member. If the family member cannot produce an original Social Security card issued by the Social Security Administration, the HRA may accept one of the following as verification if it includes the SSN:

1. A driver's license with SSN
2. Identification card issued by a federal, state, or local agency.
3. Identification card issued by a medical insurance company or provider (including Medicare and Medicaid).
4. Identification card issued by an employer or trade union.
5. Earnings statement on payroll stubs.
6. Bank statements.
7. IRS form 1099.
8. Benefit award letters from government agencies.
9. Retirement benefit letter.
10. Life insurance policies.
11. Court records (real estate, tax notices, marriage and divorce, judgment, or bankruptcy records).

If applicants cannot produce an original Social Security card, they must certify that the document provided is complete and accurate.

E. Signing Consent Forms

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

Additional screening is the responsibility of the owner. Upon the request of a prospective owner, the SEMMCHRA will provide any factual information or third party written information they have relevant to a voucher holder's history of, or ability to, comply with material standard lease terms or any history of drug trafficking.

4.0 MANAGING THE WAITING LIST

4.1 OPENING AND CLOSING THE WAITING LIST

Opening of the waiting list will be announced via public notice that applications for Section 8 will again be accepted. The public notice will state where, when, and how to apply. The notice will be published in a local newspaper of general circulation, and also by any available minority media. The public notice will state any limitations to who may apply.

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

Closing of the waiting list will be announced via public notice. The public notice will state the date the waiting list will be closed. The public notice will be published in a local newspaper of general circulation, and also by any available minority media.

4.2 TAKING APPLICATIONS

Families wishing to apply for the Section 8 Program will be required to complete an application for housing assistance. Applications will be accepted during regular business hours at:

134 East Second Street, Wabasha, MN 55981

Applications are taken to compile a waiting list. Due to the demand for Section 8 assistance in the SEMMCHRA jurisdiction, the SEMMCHRA may take applications on an open enrollment basis, depending on the length of the waiting list.

When the waiting list is open, completed applications will be accepted from all applicants. The SEMMCHRA will later verify the information in the applications relevant to the applicant's eligibility, admission, and level of benefit.

Applications may be made in person at 134 East Second Street, Wabasha, MN 55981, Monday through Friday from 8:00am to 4:30pm. Applications will be mailed or faxed to interested families upon request.

The completed application will be date stamped upon its return to the SEMMCHRA.

Persons with disabilities who require a reasonable accommodation in completing an application may call the SEMMCHRA to make special arrangements to complete their application.

Upon receipt of the families application, the SEMMCHRA will make a determination of eligibility. The SEMMCHRA will notify the family in writing of the date and time of placement on the waiting list and the approximate amount of time before housing assistance may be offered. If the SEMMCHRA determines the family to be ineligible, the notice will state the reasons therefore and offer the family the opportunity of an informal review of this determination.

An applicant may at any time report changes in their applicant status including changes in family composition, income, or preference factors. The SEMMCHRA will annotate the applicant's file and will update their place on the waiting list. Confirmation of the changes will be confirmed with the family in writing.

The application will be updated when the family nears the top of the waiting list. The SEMMCHRA will ensure that verification of all preferences, eligibility; suitability selection factors are current in order to determine the family's final eligibility for admission into the Section 8 Program.

4.3 ORGANIZATION OF THE WAITING LIST

A. The waiting list will be maintained in accordance with the following guidelines:

1. The application will be a permanent file;
2. All applications will be maintained in order of preference and then in order of date and time of application;
3. Any contact between the SEMMCHRA and the applicant will be documented in the applicant file.

4.4 FAMILIES NEARING THE TOP OF THE WAITING LIST

When a family appears to be within 2 months of being offered assistance, the verification forms will be updated. It is at this point in time that the family's waiting list preference will be verified. If the family no longer qualifies to be near the top of the list, the family's name will be returned to the appropriate spot on the waiting list. The SEMMCHRA must notify the family in writing of this determination, and give the family the opportunity for an informal review.

Once the preference has been verified the family will complete a updated application (if older than 60 days), present Social Security Number information, citizenship/eligible immigrant information, and sign the Consent for Release of Information forms.

4.5 MISSED APPOINTMENTS

The SEMMCHRA will allow the family to reschedule appointments for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities for good cause. When a good cause exists, the SEMMCHRA will work closely with the family to find a more suitable time. All applicants who fail to keep a scheduled appointment will be sent

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

4.6 PURGING THE WAITING LIST

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

4.7 REMOVAL OF APPLICANTS FROM THE WAITING LIST

- A. The SEMMCHRA will not remove an applicant's name from the waiting list unless:
1. The applicant requests that the name be removed;
 2. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses scheduled appointments; or
 3. The applicant does not meet either the eligibility or screening criteria for the program.

4.8 GROUNDS FOR DENIAL

- A. The SEMMCHRA will deny assistance to applicants who:
1. Do not meet any one or more of the eligibility criteria;
 2. Do not supply information or documentation required by the application process;
 3. Fail to respond to a written request for information or a request to declare their continued interest in the program;
 4. Fail to complete any aspect of the application or lease-up process;
 5. Have a history of criminal activity by any household member involving crimes of physical violence against persons or property, and any other criminal activity including drug-related criminal activity that would adversely affect the health, safety, or well being of other tenants or staff, or cause damage to the property.
 6. Currently owes rent or other amounts to any housing authority in connection with the public housing or Section 8 Programs.
 7. Have committed fraud, bribery, or any other corruption in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from;

8. Have a family member who was evicted from public housing within the last three years or has had assistance terminated under Section 8 Voucher Program.
9. Have a family member who was evicted from assisted housing within five years of the projected date of admission because of drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance.
10. Have a family member who is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The SEMMCHRA may waive this requirement if:
 - a. The person demonstrates to the SEMMCHRA satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
 - b. The person has successfully completed a supervised drug or alcohol rehabilitation program;
 - c. The person has otherwise been rehabilitated successfully; or
 - d. The person is participating in a supervised drug or alcohol rehabilitation program.
11. Have engaged in or threatened abusive or violent behavior towards any Housing staff or residents;
12. Have a family household member who has been terminated under the Voucher Program during the last three years;
13. Have a family household member who has been convicted of manufacturing or producing methamphetamine (speed) (Denied for life);
14. Have a family member with a lifetime registration under a State Sex Offender Registration Program (Denied for life).

B. In determining whether to deny assistance based on drug-related criminal activity or violent criminal activity, the HRA may deny assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested or convicted.

C. In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the HRA has discretion to consider any of the circumstances in each particular case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.

4.9 NOTIFICATION OF NEGATIVE ACTIONS

Any applicant whose name is being removed from the waiting list will be notified by the SEMMCHRA, in writing, that they have ten (10) business days, from the date of the written correspondence, to present mitigating circumstances or request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the timeframe specified. The SEMMCHRA system of removing applicants' names from the waiting list will not violate the rights of persons with disabilities. If an applicant's failure to respond to a request for information or updates was caused by the applicant's disability, the SEMMCHRA will provide a reasonable accommodation. If the applicant indicates that they did not respond due to a disability, the SEMMCHRA will verify that there is in fact a disability and that the accommodation they are requesting is necessary based on the disability. An example of a reasonable accommodation would be to reinstate the applicant on the waiting list based on the date and time of the original application.

4.10 INFORMAL REVIEW

If the SEMMCHRA determines that an applicant does not meet the criteria for receiving Section 8 assistance, the SEMMCHRA will promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reason(s) for the decision, and state that the applicant may request an informal review of the decision within 10 business days of the denial. The SEMMCHRA will describe how to obtain the informal review. The informal review process is described in this Plan.

5.0 SELECTING FAMILIES FROM THE WAITING LIST

5.1 WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS

The Housing Authority may admit an applicant for participation in the program either as a special admission or as a waiting list admission.

If HUD awards funding that is targeted for families with specific characteristics or families living in specific units, the SEMMCHRA will use the assistance for those families.

5.2 SELECTION FROM THE WAITING LIST

A. As vouchers are expected to become available, the HRA will select eligible applicants from the waiting list in order to begin the eligibility determination, voucher issuance and leasing processes. The HRA will select participants from the waiting list in accordance with HUD regulations and requirements and in compliance with admission policies. The date and time of application will be utilized to determine the sequence within the above-prescribed preferences.

Notwithstanding the above, families who are elderly, disabled, or displaced will be offered housing before other single persons.

B. At least 75% of the families who are admitted the SEMMCHRA housing choice voucher program during the HRA fiscal year will be extremely low-income. Extremely low-income families are those with incomes at or below 30% of the area median income. Annual income must have been verified within the 60 days prior to issuance of the voucher. Deviations from the 75% extremely low-income target are allowed during the year as long as the target is met by the year's end.

1. The HRA will monitor the income levels of its waiting list applicants in order to be sure that it will meet its income-targeting requirement by the end of its fiscal year.
2. If there are not enough extremely low-income families on the waiting list we will conduct outreach on a non-discriminatory basis to attract extremely low-income families to reach the statutory requirement.

5.3 LOCAL PREFERENCES

A. When the eligible applicant list exceeds the number of available units, the HRA will give consideration to the date and time of application only, except for the following:

1. Whether the applicant is a resident of the HRA service area, or working or going to school with-in the service area. Elderly, families and individuals who have lived in the service area

and or who were forced to move to other localities for reasons beyond their control shall be entitled to a preference.

2. Specific procedures related to the rental rehabilitation program.
3. Persons participating in the FSS Program. Applicants with an adult family member enrolled in an employment-training program or currently working or attending school on a full-time basis. This preference is also extended equally to all elderly families and all families whose head or spouse is receiving income based on their inability to work.
4. Victims of domestic violence which is of recent or continuing nature and which results in the applicant:
 - a. Vacating a unit because of violent or the threat of violence against the applicant or a member of the applicant's family by a spouse or other member of an applicant's household, or
 - b. Living in a unit with an individual who engages in violence.
5. Displaced person(s): Individuals or families displaced by government action or declared or otherwise formally recognized pursuant to Federal disaster relief laws.
6. Tenants in the SEMMCHRA Public Housing Program who are required to move and who cannot be placed in another public housing unit.

B. At least 14 units will be used to aid the homeless.

Homeless person:

1. A person living in a place that is not intended for permit housing, (car, tent, park, etc.).
2. A person living in a temporarily housing shelter.
3. A person temporary staying where the unit is too small to accommodate the family on a permit basis.
 - a. Example: Evicted person moved in with sister. Sister living in 2-bedroom trailer with 2 children & husband. Homeless person has 2 children. Trailer too small for both families.

C. Verifying Preferences

At the time of initial application, the applicant only needs to certify as to whether or not it is eligible for a preference, and the HRA need only place the applicant on the waiting list according to the preference claimed. Before the family receives assistance, however, the HRA will verify the family's eligibility for the preference based on current circumstances. If upon verification the HRA determines that the family does not qualify for the preference claimed, the family does not receive the preference. The HRA will provide a written notice stating the reasons for the determination

6.0 ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)

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

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

- B. The following requirements apply when determining the family unit size:
1. The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.
 2. The subsidy standards must be consistent with space requirements under the housing quality standards (HQS).
 3. The subsidy standards must be applied consistently for all families of like size and composition.
 4. A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family’s unit size.
 5. A family that consists of a pregnant woman only, and (no other persons), must be treated as a two-person family.
 6. Any live in aide (approved by the HRA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size.
 7. Two elderly or disabled household members may be given separate bedrooms.
 8. Unless a live in aide resides with the family, the family unit size for any family consisting of a single person must be either a zero or one-bedroom unit, as determined under the HRA subsidy standards.

C. In determining family unit size for a particular family, the HRA may grant an exception to its established subsidy standards if the HRA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances. (For a single person other than a disabled or elderly person or a remaining family member, such exception may not override the requirement of providing only a zero or one-bedroom unit to a single person.)

6.1 BRIEFING

- A. When the SEMMCHRA selects a family from the waiting list, the family will be invited to attend a briefing explaining how the program works. In order to receive a voucher the family is required to attend the briefing. If they cannot attend the originally scheduled briefing, they may attend a later session. If the family fails to attend two briefings without good cause, they will be denied admission.

- B. If an applicant with a disability requires auxiliary aids to gain full benefit from the briefing, the Housing Authority will furnish such aids where doing so would not result in a fundamental alteration of the nature of the program or in an undue financial or administrative burden. In determining the most suitable auxiliary aid, the Housing Authority will give primary consideration to the requests of the applicant. Families unable to attend a briefing due to a disability may request a reasonable accommodation such as having the briefing presented at an alternate location.

- C. The briefing will cover at least the following subjects:
 - 1. A description of how the program works;
 - 2. Family and owner responsibilities;
 - 3. Where the family may rent a unit, including inside and outside the Housing Authority's jurisdiction;
 - 4. Types of eligible housing;
 - 5. For families qualified to lease a unit outside the Housing Authority's jurisdiction under portability, an explanation of how portability works;
 - 6. An explanation of the advantages of living in an area that does not have a high concentration of poor families; and
 - 7. An explanation that the family shares of rent may not exceed 40% of the family's monthly-adjusted income.

6.2 BRIEFING PACKET

- A. During the briefing, the Housing Authority will give the family a packet covering at least the following subjects:
 - 1. The term of the voucher and the Housing Authority's policy on extensions and suspensions of the term. The packet will include information on how to request an extension and forms for requesting extensions;

2. How the Housing Authority determines the housing assistance payment and total tenant payment for the family;
3. Information on the payment standard, exception payment standard rent areas, and the utility allowance schedule;
4. How the Housing Authority determines the maximum rent for an assisted unit;
5. Where the family may lease a unit. For families qualified to lease outside the Housing Authority's jurisdiction, the packet includes an explanation of how portability works;
6. The HUD-required tenancy addendum that provides the language that must be included in any assisted lease, and a sample contract;
7. The request for approval of the tenancy form and an explanation of how to request Housing Authority approval of a unit;
8. A statement of the Housing Authority's policy on providing information to prospective owners. This policy requires applicants to sign disclosure statements allowing the Housing Authority to provide prospective owners with the family's current and prior addresses and the names and addresses of the landlords for those addresses. Upon request, the Housing Authority will also supply any factual information or third party verification relating to the applicant's history as a tenant or their ability to comply with material standard lease terms or any history of drug trafficking, drug-related criminal activity or any violent criminal activity;
9. The Housing Authority's subsidy standards, including when the Housing Authority will consider granting exceptions to the standards;
10. The HUD brochure on how to select a unit ("A Good Place to Live");
11. The HUD-required lead-based paint brochure;
12. Information on Federal, State, and local equal opportunity laws; the brochure "Fair Housing: It's Your Right;" and a copy of the housing discrimination complaint form;
13. A list of landlords or other parties known to the SEMMCHRA who may be willing to lease a unit to the family or help the family find a unit;
14. Notice that if the family includes a person with disabilities, the family may request a current list of accessible units known to the SEMMCHRA that may be available;
15. The family's obligations under the program;
16. The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction;
17. SEMMCHRA informal hearing procedures, including when the Housing Authority is required to provide the opportunity for an informal hearing, and information on how to request a hearing; and
18. The SEMMCHRA owner information brochure. This brochure can be given by the applicant to a prospective owner to help explain the program.

6.3 ISSUANCE OF VOUCHER; REQUEST FOR TENANCY APPROVAL

- A. Once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, the SEMMCHRA will issue the voucher. At this point the family begins their search for a unit.
 - 1. When the family finds a unit that the owner is willing to lease under the program, the family and the owner will complete and sign a proposed lease, the HUD required tenancy addendum and the request for approval of the tenancy form. The family will submit the proposed lease and the request form to the Housing Authority during the term of the voucher.
 - 2. The Housing Authority will review the request, the lease, and the HUD required tenancy addendum and make an initial determination of approval of tenancy. The Housing Authority may assist the family in negotiating changes that may be required for the tenancy to be approvable. Once it appears the tenancy may be approvable, the Housing Authority will schedule an appointment to inspect the unit within 15 days after the receipt of inspection request from the family and owner. The 15-day period is suspended during any period the unit is unavailable for inspection. The Housing Authority will promptly notify the owner and the family whether the unit and tenancy are approvable.
 - 3. During the initial stage of qualifying the unit, the Housing Authority will provide the prospective owner with information regarding the program. Information will include Housing Authority and owner responsibilities for screening and other essential program elements. The Housing Authority will provide the owner with the family's current and prior address as shown in the Housing Authority records along with the name and address (if known) of the landlords for those addresses.
 - a. Additional screening is the responsibility of the owner. Upon request by a prospective owner, the Housing Authority will provide any factual information or third party written information they have relevant to a voucher holder's history of, or ability to, complies with standard material lease terms.

6.4 TERM OF THE VOUCHER

- A. The initial term of the voucher will be 60 days and will be stated on the Housing Choice Voucher.
- B. The Housing Authority may grant one or more extensions of the term, but the initial term plus any extensions will never exceed 120 calendar days from the initial date of issuance. To obtain an extension, the family must make a request in writing prior to the expiration date. A statement of the efforts the family has made to find a unit must accompany the request. If the family documents their efforts and additional time can reasonably be expected to result in success, the

Housing Authority will grant the length of request sought by the family or 60 days, whichever is less.

1. If the family includes a person with disabilities and the family requires an extension due to the disability, the Housing Authority will grant an extension allowing the family the full 120 days search time. If the Housing Authority determines that additional search time would be a reasonable accommodation, the Housing Authority will request HUD to approve an additional extension.
2. Upon submittal of a completed request for approval of tenancy form, the SEMMCHRA will suspend the term of the voucher. The term will be in suspension until the date the Housing Authority provides notice that the request has been approved or denied. This policy allows families the full term (60 days, or more with extensions) to find a unit, not penalizing them for the period during which the Housing Authority is taking action on their request. A family may submit a second request for approval of tenancy before the Housing Authority finalizes action on the first request. In this case the suspension will last from the date of the first submittal through the Housing Authority's action on the second submittal. No more than two requests will be concurrently considered.

6.5 APPROVAL TO LEASE A UNIT

- A. The SEMMCHRA will approve a lease if all of the following conditions are met:
 1. The unit is eligible;
 2. The unit is inspected by the Housing Authority and passes HQS;
 3. The lease is approvable and includes the language of the tenancy addendum;
 4. The rent to owner is reasonable;
 5. The family's share of rent does not exceed 40% of their monthly-adjusted income;
 6. The owner has not been found to be debarred, suspended, or subject to a limited denial of participation by HUD or the Housing Authority; and
 7. The family continues to meet all eligibility and screening criteria.
- B. If tenancy approval is denied, the Housing Authority will advise the owner and the family in writing and advise them also of any actions they could take that would enable the Housing Authority to approve the tenancy.
- C. The lease term may begin only after all of the following conditions are met:
 1. The unit passes the Housing Authority HQS inspection;

2. The family's share of rent does not exceed 40% of their monthly-adjusted income;
 3. The landlord and tenant sign the lease to include the HUD required addendum; and
 4. The Housing Authority approves the leasing of the unit.
- D. The Housing Authority will prepare the contract when the unit is approved for tenancy. Generally, the landlord, simultaneously with the signing of the lease and the HUD required tenancy addendum, will execute the contract. Upon receipt of the executed lease and the signed contract by the landlord, the Housing Authority will execute the contract. The Housing Authority will not pay any housing assistance to the owner until the contract is executed.

In no case will the contract be executed later than 60 days after the beginning of the lease term.

Any contract executed after the 60-day period will be void and the Housing Authority will not pay housing assistance to the owner.

6.6 LEASE AND TENANCY

- A. The tenant must have legal capacity to enter into a lease under state or local law. "Legal capacity" means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.
- B. The tenant and the owner must enter and execute a written lease for the unit. The lease must be in the standard form the owner uses in the locality for rental to unassisted tenants. The HAP contract prescribed by HUD contains the owner's certification that, if the owner uses a standard lease form for rental to unassisted tenants, that lease form is used for the assisted unit as well. If the owner does not use a standard form of lease to unassisted tenants, another form of lease may be used.
- C. The lease must include the following information:
1. Names of owner and tenant;
 2. Unit address;
 3. Term of the lease, including initial term and provisions for renewal;
 4. Amount of monthly rent to owner;
 5. Specification of what utilities and appliances the owner must supply and what utilities and appliances the family must supply.
 6. The lease must also include verbatim the HUD-prescribed tenancy addendum. The tenancy addendum can also be found in Part C of the HAP contract for the Housing Choice Voucher Program. The tenancy addendum sets forth the tenancy

requirements for the program and the composition of the household, as approved by the HRA. The owner must sign the lease and HUD tenancy addendum with the prospective tenant; the tenant has the right to enforce the tenancy addendum against the owner. The terms of the tenancy addendum prevail over any other provisions of the lease.

6.7 SEMMCHRA DISAPPROVAL OF OWNER

- A. The Housing Authority will deny participation by an owner at the direction of HUD. The Housing Authority will also deny the owner's participation for any of the following reasons:
1. The owner has violated any obligations under a Section 8 Housing Assistance Payments Contract;
 2. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
 3. The owner has engaged in drug-related criminal activity or any violent criminal activity;
 4. The owner has a history or practice of non-compliance with HQS for units leased under Section 8 or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;
 5. The owner has a history or practice of renting units that fail to meet State or local codes; or
 6. The owner has not paid State or local real estate taxes, fines, or assessments.
 7. The owner refuses (or has a history of refusing) to evict families for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the:
 - a. Premises by tenants, SEMMCHRA employees or owner employees; or
 - b. Residences by neighbors;
 8. Other conflicts of interest under Federal, State, or local law.

6.8 INELIGIBLE/ELIGIBLE HOUSING

- A. The following types of housing cannot be assisted under the Section 8 Tenant-Based Program:
1. A public housing or Indian housing unit;
 2. A unit receiving project-based assistance under a Section 8 Program;

3. Nursing homes board and care homes, or facilities providing continual psychiatric, medical or nursing services;
 4. College or other school dormitories;
 5. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
 6. A unit occupied by its owner. This restriction does not apply to cooperatives or to assistance on behalf of a manufactured home owner leasing a manufactured home space; and
 7. A unit receiving any duplicative Federal, State, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.
- B. The SEMMCHRA will not approve a lease for any of the following special housing types, except as a reasonable accommodation for a family with disabilities:
1. Congregate housing
 2. Group homes
 3. Shared housing
 4. Cooperative housing
 5. Single room occupancy housing
- C. The SEMMCHRA will approve leases for the following housing types:
1. Single family dwellings
 2. Apartments and duplexes
 3. Manufactured housing
 4. Manufactured home space rentals

6.9 SECURITY DEPOSIT

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

1. When the tenant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owes under the lease.
2. The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant.
3. If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

7.0 MOVES WITH CONTINUED ASSISTANCE

- A. Participating families are allowed to move to another unit after the initial 12 months has expired, if the landlord and the participant have mutually agreed to terminate the lease, or if the Housing Authority has terminated the HAP contract. The SEMMCHRA will issue the family a new voucher if the family does not owe the SEMMCHRA or any other Housing Authority money, has not violated a Family Obligation, has not moved or been issued a voucher within the last 12 months, and if the SEMMCHRA has sufficient funding for continued assistance. If the move is necessitated for a reason other than family choice, the 12-month requirement will be waived.
- B. If a low-income public housing resident who was to be relocated using housing choice voucher program assistance under the housing choice voucher program moves temporarily to a shelter because of domestic abuse, the family could be deemed over-income and therefore ineligible when it was ready to be issued a housing choice voucher. However, the HRA policy may include temporary residency in a shelter in its definition of “continuously assisted” and the family would be eligible to receive the voucher despite its income.

7.1 WHEN A FAMILY MAY MOVE

- A. For families already participating in the Voucher Program, the SEMMCHRA will allow the family to move to a new unit if:
 - 1. The assisted lease for the old unit has terminated;
 - 2. The owner has given the tenant a notice to vacate, has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant; or
 - 3. The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner).

7.2 PROCEDURES REGARDING FAMILY MOVES

- A. Families considering transferring to a new unit will be scheduled to attend a mover’s briefing. All families who are moving, including any families moving into or out of the SEMMCHRA jurisdiction, will be required to attend a mover's briefing prior to the SEMMCHRA entering a new HAP contract on their behalf.

This briefing is intended to provide the following:

- 1. A refresher on program requirements and the family’s responsibilities. Emphasis will be on giving proper notice and meeting all lease requirements such as leaving the unit in good condition;

2. Information about finding suitable housing and the advantages of moving to an area that does not have a high concentration of poor families;
3. Payment standards, exception payment standard rent areas, and the utility allowance schedule;
4. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income;
5. Portability requirements and opportunities;
6. The need to have a reexamination conducted within 120 days prior to the move;
7. An explanation and copies of the forms required to initiate and complete the move; and
8. All forms and brochures provided to applicants at the initial briefing.

B. Families are required to give proper written notice of their intent to terminate the lease. In accordance with HUD regulations, no notice requirement may exceed 60 days. During the initial term, families may not end the lease unless they and the owner mutually agree to end the lease. If the family moves from the unit before the initial term of the lease ends without the owner's and the SEMMCHRA approval, it will be considered a serious lease violation and subject the family to termination from the program.

1. The family is required to give the SEMMCHRA a copy of the notice to terminate the lease at the same time as it gives the notice to the landlord. A family's failure to provide a copy of the lease termination notice to the SEMMCHRA will be considered a violation of Family Obligations and may cause the family to be terminated from the program.
2. A family who gives notice to terminate the lease must mail the notice by certified mail or have the landlord or his agent sign a statement stating the date and time received. The family will be required to provide the certified mail receipt and a copy of the lease termination notice to the SEMMCHRA, or a copy of the lease termination notice and the signed statement stating the date and time the notice was received. If the landlord or his/her agent does not accept the certified mail receipt, the family will be required to provide the receipt and envelope showing that the attempt was made.

Failure to follow the above procedures may subject the family to termination from the program.

8.0 PORTABILITY

The term “portability” refers to the process of leasing or purchasing a dwelling unit with housing voucher tenant-based assistance outside of the jurisdiction of the PHA that initially issues the family its voucher. Housing choice voucher participants may choose a unit that meets program requirements anywhere in the United States provided a PHA administering the tenant-based program has jurisdiction over the area in which the unit is located.

The HRA that issues the voucher to a portable family that wants to move to a different jurisdiction is referred to as the “initial” HRA. The HRA in the jurisdiction to which the family wishes to relocate is called the “receiving” HRA.

8.1 GENERAL POLICIES OF THE SEMMCHRA

- A. A family whose head or spouse has a domicile (legal residence) or works in the jurisdiction of the SEMMCHRA at the time the family first submits its application for participation in the program to the SEMMCHRA may lease a unit anywhere in the jurisdiction of the SEMMCHRA or outside the SEMMCHRA jurisdiction as long as there is another entity operating a tenant-based Section 8 program covering the location of the proposed unit.
- B. If the head or spouse of the assisted family does not have a legal residence or work in the jurisdiction of the SEMMCHRA at the time of its application, the family will not have any right to lease a unit outside of the SEMMCHRA jurisdiction for a 12-month period beginning when the family is first admitted to the program. During this period, the family may only lease a unit located in the jurisdiction of the SEMMCHRA.
- C. Families participating in the Voucher Program will not be allowed to move more than once in any 12-month period and under no circumstances will the SEMMCHRA allow a participant to improperly break a lease. Under extraordinary circumstances the SEMMCHRA may consider allowing more than one move in a 12-month period.
- D. Families may only move to a jurisdiction where a Housing Choice Voucher Program is being administered.

If a family has moved out of their assisted unit in violation of the lease, the SEMMCHRA will not issue a voucher, and will terminate assistance in compliance with, Grounds for Termination of the Lease and Contract.

8.2 INCOME ELIGIBILITY

- A. Admission
 - 1. A family must be income-eligible in the area where the family first leases a unit with assistance in the Voucher Program.

- B. If a portable family is already a participant in the Initial Housing Authority's Voucher Program, income eligibility is not re-determined.
- C. If the family is not currently a program participant, the initial PHA must determine if the family is income eligible in the area to which the family wishes to move. If the family is not income eligible in the area to which the family wishes to move, the PHA must inform the applicant family they may not move to the area in question and receive voucher assistance.

8.3 PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY

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

8.4 PORTABILITY PROCEDURES

A. When SEMMCHRA is the Initial Housing Authority:

Porting families will be limited to 5% of the Section Housing Choice Voucher budget. Porting families will only be allowed to move if the receiving HRA is willing to absorb the family into their voucher program or if the payment standards in the new area are the same or less than SEMMCHRA's payment standards.

- 1. SEMMCHRA will brief the family on the process that must take place to exercise portability. The family will be required to attend an applicant or mover's briefing.
- 2. SEMMCHRA will determine whether the family is income-eligible in the area where the family wants to lease a unit (if applicable).
- 3. SEMMCHRA will advise the family how to contact and request assistance from the Receiving Housing Authority.
- 4. SEMMCHRA will contact the receiving PHA on the families behalf, within ten (10) calendar days, by telephone, fax or email.
- 5. SEMMCHRA will complete & mail Part 1 of the form HUD-52665 to the Receiving Housing Authority along with the most recent HUD Form 50058 (Family Report) for the family, and related verification information. In the case of an applicant, SEMMCHRA

will provide the family information and income information to the receiving PHA in a format similar to the Form HUD – 50058 so that the information is easily available for use by the receiving PHA. Part 1 of the form contains the date by which the initial billing notice provided by the receiving PHA must be received by SEMMCHRA. The initial billing submission must be received by SEMMCHRA no later than 60 days following the expiration date of the family voucher issued by the initial PHA.

If SEMMCHRA has not received a billing notice by the deadline, SEMMCHRA will contact the receiving PHA to determine the status of the family if SEMMCHRA intends not to honor a late billing submission. If the receiving PHA reports that the family is not yet under HAP contract, SEMMCHRA may inform the receiving PHA that they will not accept any subsequent billing on behalf of the family. Once SEMMCHRA has so notified the receiving PHA, SEMMCHRA is not required to honor any billing notice received after the billing deadline. If SEMMCHRA still subsequently receives a late billing notice on behalf of the family, it simply returns the late Form HUD-52665 to the receiving PHA, and the receiving PHA must absorb the family.

If the receiving PHA reports that the family is under HAP contract and it cannot absorb when the initial PHA contacts the receiving PHA to determine the status of the family, SEMMCHRA is required to accept the subsequent late billing. SEMMCHRA may contact HUD to report the receiving PHA's failure to submit the bill in accordance with these procedures.

B. When SEMMCHRA is the Receiving Housing Authority:

1. SEMMCHRA will promptly (within 10 days) issue a voucher to the family for its search in SEMMCHRA's jurisdiction, the term of which may not expire before the expiration date of the initial PHA voucher. SEMMCHRA may provide additional search time to the family beyond the expiration date of the initial PHA voucher, either when it initially issues its own voucher or by subsequently extending its own voucher's term. If SEMMCHRA provides the family with search time beyond the expiration date of the initial PHA's voucher, it must inform the initial PHA of the extension and should bear in mind the billing deadline provided by the initial PHA.

SEMMCHRA will not process the family if the initial PHA voucher has already expired when it receives the paperwork from the initial PHA, but should refer the family back to the initial PHA. The initial PHA would have to decide to extend the term of the initial PHA voucher (and the billing deadline) before SEMMCHRA would process the portability move.

SEMMCHRA will promptly inform the initial PHA if it intends to absorb or bill. SEMMCHRA will send Part 11 of Form HUD-52665 to the initial PHA within 10 working days from the date a HAP contract is executed on behalf of a family.

- 2.. SEMMCHRA will determine the family unit size for the portable family. The family unit size is determined in accordance with the SEMMCHRA subsidy standards.
3. SEMMCHRA will within ten (10) calendar days notify the Initial Housing Authority if the family has leased an eligible unit under the program, or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the voucher.
4. If SEMMCHRA opts to conduct a new reexamination, the SEMMCHRA will not delay issuing the family a voucher or otherwise delay approval of a unit unless the re-certification is necessary to determine income eligibility.
5. In order to provide tenant-based assistance for portable families, the SEMMCHRA will perform all Housing Authority program functions, such as reexaminations of family income and composition. At any time, either the Initial Housing Authority or SEMMCHRA may make a determination to deny or terminate assistance to the family in accordance with policy.
6. If an incoming portable family ultimately decides not to lease in SEMMCHRA jurisdiction, but instead wishes to return to the initial PHA or wishes to search in another jurisdiction, SEMMCHRA will refer the family back to the initial PHA. In such a case the voucher of record for the family is once again the voucher originally issued by the initial PHA. Any extensions of search time provided by SEMMCHRA are only valid for the family's search in SEMMCHRA's jurisdiction.

SEMMCHRA may absorb the family into its own program once the HAP contract is executed on behalf of the family, assuming it has funding available under its ACC to do so and such a decision will not result in over-leasing. SEMMCHRA may also absorb a portable family assisted through a billing arrangement by terminating the billing arrangement with the initial PHA. SEMMCHRA will provide adequate advance notice to the initial PHA to avoid having to return an overpayment. SEMMCHRA will specify the effective date of the absorption of the family.

C. Absorption by the SEMMCHRA

1. If funding is available under the consolidated ACC for the SEMMCHRA Voucher Program when the portable family is received, the SEMMCHRA will absorb the family into its Voucher Program. After absorption, the family is assisted with funds available under the consolidated ACC for the SEMMCHRA Tenant-Based Program.

D. Portability Billing

1. To cover assistance for a portable family, the Receiving Housing Authority may bill the Initial Housing Authority for housing assistance payments and administrative fees. The billing procedure will be as follows:

- a. The PHA must pay the first billing amount due with 30 calendar days of receipt of Part 11 of the Form HUD-52665. Subsequently, payments will be made by the fifth working day of each month the billing arrangement is in effect. Payments will be provided in a form and manner that the receiving PHA is able and willing to accept. As the Initial Housing Authority, the SEMMCHRA will reimburse the Receiving Housing Authority for the full amount of the housing assistance payments made by the Receiving Housing Authority for the portable family. The amount of the housing assistance payment for a portable family in the Receiving Housing Authority's program is determined in the same manner as for other families in the Receiving Housing Authority's program.
- b. The Initial Housing Authority will promptly reimburse the Receiving Housing Authority for 80% of the Initial Housing Authority's on-going administrative fee for each unit month that the family receives assistance under the tenant-based programs and is assisted by the Receiving Housing Authority. If both Housing Authorities agree, we may negotiate a different amount of reimbursement.
- c. The receiving HRA must notify SEMMCHRA with in 30 days, by certified letter, that the receiving HRA has made its first months HAP on behalf of the port in family. If SEMMCHRA is not notified by the receiving HRA with in 30 days of the first HAP payment, SEMMCHRA will not honor any current or future billings from the receiving HRA.
- d. The receiving HRA must notify SEMMCHRA with in 30 days re: any changes in HAP portion due to interim or re-certification changes. If SEMMCHRA is not notified of changes with in 30 days of change, SEMMCHRA may not honor billing from the receiving HRA.

E. When a Portable Family Moves

When a portable family moves out of the tenant-based program of a Receiving Housing Authority that has not absorbed the family, the Housing Authority in the new jurisdiction to which the family moves becomes the Receiving Housing Authority, and the first Receiving Housing Authority is no longer required to provide assistance for the family.

9.0 DETERMINATION OF FAMILY INCOME

9.1 INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME

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

9.2 INCOME

A. Annual income means all amounts, monetary or not, that:

1. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
3. Are not specifically excluded from annual income.

B. Annual income includes, but is not limited to:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as

determined by HUD.

4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum amount or prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)
6. Welfare assistance.
 - a. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income consists of:
 - i. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
 - ii. The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this requirement is the amount resulting from one application of the percentage.
 - b. If the amount of welfare is reduced due to an act of fraud by a family member or because of any family member's failure to comply with requirements to participate in an economic self-sufficiency program or work activity, the amount of rent required to be paid by the family will not be decreased. In such cases, the amount of income attributable to the family will include what the family would have received had they complied with the welfare requirements and/or had not committed an act of fraud.

The prohibition against reducing rent does not apply when:

- a. welfare benefits are lost because the lifetime limit on receipt of benefits has expired;
- b. or in a situation where the family has complied with welfare program requirements but cannot obtain employment;
- c. When the family's welfare is being reduced for failure to comply with welfare department requirements other than participation in economic self sufficiency program;

- d. When a family's benefit is reduced because of an earlier, inadvertent overpayment.
- 7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
- 8. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)

9.3 EXCLUSIONS FROM INCOME

A. Annual income does not include the following:

- 1. Income from employment of children (including foster children) under the age of 18 years;
- 2. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- 3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses
- 4. Amounts received by the family that is specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- 5. Income of a live-in aide;
- 6. The full amount of student financial assistance paid directly to the student or to the educational institution;
- 7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- 8. The amounts received from the following programs:
 - a. Amounts received under training programs funded by HUD;
 - b. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - c. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
 - d. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiative coordination. No resident may receive more than one such stipend during the same period of time;
 - e. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including

training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;

- f. Temporary, nonrecurring, or sporadic income (including gifts);
- g. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- h. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- j. Adoption assistance payments in excess of \$480 per adopted child;
- k. Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
- l. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
- m. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- n. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits.

B. These exclusions include:

- 1. The value of the allotment of food stamps
- 2. Payments to volunteers under the Domestic Volunteer Services Act of 1973
- 3. Payments received under the Alaska Native Claims Settlement Act
- 4. Income from sub marginal land of the U.S. that is held in trust for certain Indian tribes
- 5. Payments made under HHS's Low-Income Energy Assistance Program
- 6. Payments received under the Job Training Partnership Act
- 7. Income from the disposition of funds of the Grand River Band of Ottawa Indians
- 8. The first \$2000 per capita received from judgment funds awarded for certain Indian claims
- 9. Amount of scholarships awarded under Title IV including Work-Study
- 10. Payments received under the Older Americans Act of 1965
- 11. Payments from Agent Orange Settlement
- 12. Payments received under the Maine Indian Claims Act
- 14. The value of childcare under the Child Care and Development Block Grant Act of 1990
- 15. Earned income tax credit refund payments
- 16. Payments for living expenses under the Ameri-Corps Program
- 17. Payments by the Indian Claims commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation.

18. Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran.
19. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act; and
20. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998.

C. Earned Income Disallowance for persons with disabilities

1. Initial twelve month exclusion
2. Second twelve month exclusion and HRA-in
3. Maximum four year disallowance

9.4 Annualizing Anticipated Annual Income

A. Once the HRA knows and verifies all sources of income, the HRA will convert reported income to an annual figure. Convert periodic wages to annual income using the following:

1. Multiply hourly wages by the number of hours worked per year (2080 hours for full-time employment with a 40 hour work week and no overtime).
2. Multiply weekly wages by 52.
3. Multiply bi-weekly wages (paid every other week) by 26.
4. Multiply semi-month wages (paid twice each month) by 24.
5. Multiply monthly wages by 12.

B. General the HRA will use current circumstances to anticipate annual income, unless verification forms indicate an imminent change (e.g., verification indicates an increase of 2.4% in Social Security benefits beginning on January 1, 2004).

C. The HRA will use one of two ways to annualize the anticipated annual income:

1. Calculating projected annual income by annualizing current income (and subsequently conducting an interim re-examination if income changes); or
2. Using information available to average anticipated income from all known sources when the sources are expected to change during the year (example: school bus driver not driving in summer months).

9.5 Temporary Income

1. Temporary, non-recurring, or sporadic income (including gifts) is not counted.
2. Income from a Business (Includes Self-Employment Income)
3. Include the net income from operation of a business or profession.
4. Generally, net income equals gross income less business expenses.

5. Straight-line depreciation of capital assets used in the business or profession may be deducted as a business expense. Interest payments on business loans, and all business expense other than expenses for expansion or capital improvements. Are also eligible business expenses. However, expenditures for amortization of capital indebtedness may not be deducted.
6. Withdrawal of cash or assets from a business is counted as income except when the withdrawal is for reimbursement of amounts the family has invested in the business.

9.6 Treatment of Reductions in Welfare Assistance

1. A voucher participant does not receive a reduced family share when the family's welfare grant is reduced as the result of fraud, failure to participate in an economic self-sufficiency program, or failure to comply with a work requirement program.
2. Before determining annual income when there has been a reduction in the welfare grant, the HRA must receive written verification from the welfare agency that the benefit reduction was caused by noncompliance or fraud before denying a family's request for a re-examination of income and rent reduction.
3. The prohibition against reducing rent does not apply when welfare benefits are lost because the lifetime limit on receipt of benefits has expired or in a situation where the family has complied with welfare program requirements but cannot obtain employment.

9.7 Income of confined Family Member

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

9.8 DEDUCTIONS FROM ANNUAL INCOME

A. The following deductions will be made from annual income:

1. \$480 for each dependent
2. \$400 for any elderly family or disabled family
3. For any family that is not an elderly or disabled family but has a member (other than the head or spouse), who is a person with a disability, disability assistance expenses in excess of 3% of annual income. This allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the person with disabilities.
4. For any elderly or disabled family:
 - a. That has no disability assistance expenses, an allowance for medical expenses

equal to the amount by which the medical expenses exceed 3% of annual income;

- b. That has disability expenses greater than or equal to 3% of annual income, an allowance for disability assistance expenses computed in accordance with paragraph C, plus an allowance for medical expenses that equal the family's medical expenses;
- c. That has disability assistance expenses that are less than 3% of annual income, an allowance for combined disability assistance expenses and medical expenses that is equal to the total of these expenses less 3% of annual income.

5 Child care expenses, only to the extent that such amounts are not reimbursed.

Reasonable child care expenses for the care of children including foster children, age 12 and younger, may be deducted from annual income if all of the following are true:

- a. The care is necessary to enable a family member to work, look for work, or further his/her education (academic or vocational);
- b. The expense is not reimbursed by an agency or individual outside the household; and
- c. The expenses incurred to enable a family member to work do not exceed the amount earned.
- d. Child support payments made to another on behalf of a minor who is not living in the applicant household are not childcare and cannot be deducted.
- e. Care expenses for the care of disabled family members over the age 12 cannot be deducted as a childcare expense, but see the section on disability assistance expenses.
- f. When more than one family member works, the HRA must determine which family member is being enabled to work because childcare is provided. This is necessary because the childcare allowance cannot exceed the income that family member earns. A good general rule is to assume that the childcare expenses enable the lowest paid individual to work, unless this is obviously not the case.
- g. When a family member works and goes to school, the HRA must prorate the childcare expense so that the portion of the total childcare expense that is specifically related to the hours the family member works can be compared with the amount earned.
- h. HRA must determine whether childcare costs are “reasonable”. Reasonable means, reasonable for the care being provided. Reasonable costs for in-home care may be very different from reasonable day-care center costs. Families may

choose the type of care to be provided. The HRA may not decide that the family may receive a deduction only for the least expensive type of care available.

6. Allowance for Medical Expenses

- a. The medical expense deduction is permitted only for households in which the head or spouse is at least 62 or disabled (elderly or disabled households).
- b. If the household is eligible for a medical expense deduction, the medical expenses of all family members may be counted (e.g., the orthodontist expenses for a child's braces may be deducted if the household is an elderly or disabled household).
- c. Medical expenses are expense, anticipated to be incurred, during the 12 months following certification or re-examination, which are not covered by an outside source such as insurance. The medical allowance is not intended to give a family an allowance equal to last year's expenses, but to anticipate regular ongoing and anticipated expenses during the coming year.
- d. Not all elderly or disabled applicants or participants are aware that their expenses for medical care are included in the calculation of adjusted income for elderly or disabled households. For that reason, it is important for HRA staff to probe for information on allowable medical expenses. These may include:
 1. Services of doctors and health care professionals
 2. Services of health care facilities.
 3. Medical insurance premiums.
 4. Prescription/non-prescription medicines (prescribed by a physician).
 5. Transportation to treatment (cab fare, bus fare, mileage).
 6. Dental expenses, eyeglasses, hearing aids, batteries.
 7. Live-in or periodic medical assistance.
 8. Monthly payment on accumulated medical bills (regular monthly payments on a bill that was previously incurred). The allowance may include only the amount expected to be paid in the coming 12 months.
 9. If a family has medical expenses and no disability assistance expenses, the allowable medical expense is that portion of total medical expenses that exceeds three percent of annual income.

7. Special Calculation for Households Eligible for Disability Assistance and Medical Expenses

If an elderly family or disabled family has both medical expenses and disability assistance expenses, a special calculation is required to insure that the family's three-percent share of these expenses is applied only one time. Because the allowance for disability assistance expenses is limited by the amount earned by the person freed for work, the disability allowance must be calculated before the medical allowance is calculated. See page 5-32 of Housing Choice Voucher Program Guidebook for more details.

10.0 VERIFICATION

The SEMMCHRA will verify information related to waiting list preferences, eligibility, admission and level of benefits prior to admission. Periodically during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations, full time student status of family members 18 years of age and older, Social Security Numbers, citizenship/eligible non-citizen status. Age and relationship will only be verified in those instances where needed to make a determination of level of assistance.

10.1 ACCEPTABLE METHODS OF VERIFICATION

- A. Age, relationship, U.S. citizenship, and Social Security Numbers will generally be verified with documentation provided by the family. For citizenship, the family's certification will be accepted. (Or for citizenship documentation such as listed below will be required.) Verification of these items will include photocopies of the Social Security cards and other documents presented by the family, the INS SAVE approval code, and forms signed by the family.
- B. Other information will be verified by third party verification. This type of verification includes written documentation (with forms sent directly to and received directly from a source, not passed through the hands of the family). This verification may also be direct contact with the source, in person or by telephone. It may also be a report generated by a request from the SEMMCHRA or automatically by another government agency, i.e. the Social Security Administration. Verification forms and reports received will be contained in the applicant/tenant file. Oral third party documentation will include the same information as if the documentation had been written, i.e. name date of contact, amount received, etc.
- C. When third party verification cannot be obtained, the SEMMCHRA will accept documentation received from the applicant/participant. Hand-carried documentation will be accepted if the SEMMCHRA has been unable to obtain third party verification in a four-week period of time. Photocopies of the documents provided by the family will be maintained in the file.
- D. When neither third party verification nor hand-carried verification can be obtained, the SEMMCHRA will accept a notarized statement signed by the head, spouse or co-head. Such documents will be maintained in the file.

10.2 Types of verification

CERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources			Documents Provided by Applicant	Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Third Party					
	Written	Oral				
Employment Income	Verification Form with signed Consent to Release completed By employer	Wages and Salaries Telephone or in person contact with employer, specifying amount to be paid per pay period and length of pay period. Document in file by the HRA.	W-2 Forms, if applicant has had some employer for at least two years and increases can be accurately projected, or check stub or earning statements. Paycheck stubs or earning statements.	Notarized statements or affidavits signed by applicant which describe amount & source of income.	Frequency of gross pay (i.e., hourly, bi-weekly, monthly, bi-monthly). Anticipated increases in pay effective dates. Require most recent 6-8 consecutive pay stubs; do not use check without stub.	
Self-employment, tips, gratuities, etc.	None available.	None available.	Form 1040/1040A showing amount earned and employment period.	Notarized statement or affidavit signed by applicant showing amount earned and pay period.		
Income maintenance payments, benefits, income other than wages (i.e., welfare, Social Security, (SS), Supplemental Security Income (SSI), Disability Income, Pensions).	Award or benefit notification letters prepared and signed by authorizing agency. Printout of benefit amounts generated by HRA through automated tie-in to welfare department computers.	Telephone or in-person contact with income source, documented in file by the HRA. Note: for all oral verification, file documentation must include facts, time & date of contract, and name & title of third party.	Current or recent check with date, amount, and check number recorded by the HRA. Award Letters. Copies of validated bank deposit slips/with identification by bank. Most recent quarterly pension account statement.		Checks or automatic bank deposit slips may not provide gross amounts of benefits if applicant has deductions made for Medicare Insurance. Confirm amount of the Medicare premium with the Social Security Administration (SSA). If local Social Security Administration (SSA) fails to provide verification, checks or automatic deposit slips may be accepted as interim verification of SS or SSI; however, the HRA must notify the HUD Field Office of SSA's refusal to verify. Copying of U.S. Treasury checks is not permitted.	

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources				Information Which Must Be Obtained/ Verification Tips
	Third Party		Documents Provided by Applicant	Self-Declaration	
	Written	Oral			
Welfare payments (as-paid states only)	<p>Verification form completed by welfare department indicating maximum amount family may receive.</p> <p>Maximum shelter schedule by household size with ratable reduction schedule.</p>	Telephone or in-person contact with income source, documented in file by HRA.	Maximum shelter allowance schedule with ratable reduction schedule with ratable reduction schedule provided by applicant.	Not appropriate.	Actual welfare benefit amount not sufficient as proof of income in "as paid" states or localities since income is defined as maximum shelter amount.
Unemployment compensation.	Verification form, with signed Consent to Release, completed by source.	Telephone or in person contact with agency documented in a HRA file.	<p>Copies of checks or records from agency provided by applicant stating payment amounts and dates.</p> <p>Benefit notification letter signed by authorizing agency.</p>		<p>Frequency of payments and expected length of benefit term must be verified.</p> <p>Income not expected to last full 12 months must be calculated based on 12 months and interim-completed when benefits stop.</p>
Alimony or child support.	<p>Copy of separation or divorce agreement provided by ex-spouse or court indicating type of support, amount, and payment schedule.</p> <p>Written statement provided by ex-spouse or income source indicating of all of above.</p> <p>If applicable, written statement from court/attorney that payments are not being received and anticipated date of resumption of payments.</p>	Telephone or in person contact with ex-spouse or income source documented in file by the HRA.	<p>Copy of most recent check, recording date, amount, and check number.</p> <p>Recent original letters from the court.</p>	<p>Notarized statement or affidavit signed by applicant indicating amount received.</p> <p>If applicable, notarized statement or affidavit from applicant indicating that payments are not being received and describing efforts to collect amounts dues.</p>	Amounts awarded but not received can only be excluded from annual income when applicants have made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments.
Recurring contributions and gifts.	Notarized statement or affidavit signed by the person providing the assistance giving the purpose dates, and value of gifts.	Telephone or in person contact with source documented in file by HRA.	Not applicable	Notarized statement or affidavit signed by applicant stating purpose, dates, and value of gifts.	Sporadic contributions and gifts are not counted as income.

Factor to be Verified	Acceptable Sources			Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Third Party		Documents Provided by Applicant		
	Written	Oral			
Net Income for a business.	Not applicable.	Not applicable.	<p>IRS Form 1040 with Schedule C, E, or F.</p> <p>Financial Statement(s) of the business (audited or unaudited) including an accountant's calculation of straight-line depreciation expense if accelerated depreciation was used on the tax return or financial statement.</p> <p>Any loan application listing income derived from business during proceeding 12 months.</p> <p>For rental property, copies of recent rent checks, on lease and receipts for expenses or IRS Schedule E.</p>		
Dividend income and savings account interest income.	Verification form with signed consent to release, completed by bank.	Telephone or in-person contact with appropriate party, documented in file by the HRA.	<p>Copies of current statements, bank passbooks, and certificates of deposit, if they show required information (i.e., current rate of interest).</p> <p>Copies of IRS Form 1099 from the financial institution and verification of projected income for the next 12 months.</p> <p>Broker's quarterly statements showing value of stocks/bonds and earnings credited the applicant.</p>	Not appropriate.	<p>The HRA must obtain enough information to accurately project income over next 12 months.</p> <p>Verify interest rate as well as asset value.</p>

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources			Information Which Must Be Obtained/ Verification Tips
	Third Party		Documents Provided by Applicant	
	Written	Oral		
Interest from sale of real property (e.g., contract for deed, installment sales contract, etc.)	Verification form, with signed consent to release, completed by an accountant, attorney, real estate broker, the buyer, or a financial institution which has copies of the amortization schedule from which interest income for the next 12 months can be obtained.	Telephone or in-person contact with appropriate party, documented in file by the HRA.	<p>Copy of the amortization schedule, with sufficient information for the HRA to determine the amount of interest to be earned during the next 12 months.</p> <p>Note: Copy of a check paid by the buyer to the applicant is not acceptable.</p>	<p>Only the interest income is counted; the balance of the payment applied to the principal is merely a liquidation of the asset.</p> <p>The HRA must get enough information to compute the actual interest income for the next 12 months.</p>
Current net family assets.	Verification forms, letters or documents with signed Consent to Release, forms from financial institutions, stock brokers, real estate agents, employers indicating the current value of the assets and penalties, or reasonable costs to be incurred in order to convert non-liquid assets into cash.	Telephone or in-person contact with appropriate source, documented in file by the HRA.	<p>Passbooks, checking or savings account statements, certificates of deposit, property appraisals, stock or bond documents or other financial statements completed by financial institution.</p> <p>Copies of real estate tax statements, if tax authority uses approximate market value.</p> <p>Quotes from attorneys, stockbrokers, bankers, real estate agents, verifying penalties, reasonable costs incurred to convert asset to cash.</p> <p>Copies of real estate closing documents, which indicate distribution of sales proceeds and settlement costs.</p>	<p>Notarized statement or signed affidavit stating cash value of assets or verifying cash held at applicant's home or in safe deposit box.</p> <p>Use current balance in saving accounts, average monthly balance in checking accounts for last 6 months.</p> <p>Use cash value of all assets: the net amount the applicant would receive if the asset were converted to cash.</p> <p>Note: This information can usually be obtained simultaneously with income from asset verification and employment verification (value of pension).</p>

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources			Information Which Must Be Obtained/ Verification Tips	
	Third Party		Documents Provided by Applicant		
	Written	Oral			
Assets disposed of for less than fair market value.	None required.	None required.	None required.	<p>Certification signed by applicant that no member of family has disposed of assets for less than fair market value during preceding 2 years.</p> <p>If applicable, certification signed by applicant that shows:</p> <ul style="list-style-type: none"> - Type of assets disposed of, - Date disposed of, - Amount received, and - Market value of asset at the time of disposition. 	Only count assets disposed of within a two-year period prior to examination or re-examination.
Family composition.	None required.	None required.	Income tax returns, school records, marriage certificates, birth certificates, divorce actions, Veterans Administration (VA) records, support payment records.		
Family type. (Information verified only to determine eligibility for preferences and allowances.)	<p>Disability Status: statement from physician or other reliable source, if benefits documenting status are not received.)</p> <p>Displacement Status: Written statement or certificate of displacement by the appropriate governmental authority.</p>	Telephone or in-person contact with source documented in file by the HRA.	<p>Elderly Status (when there is reasonable doubt that applicant is at least 62): birth certificate, baptismal certificate, social security records, driver's license, census record, official record of birth or other authoritative document or receipt of SSI old age benefits or SS benefits.</p> <p>Disabled, blind – evidence of receipt of SSI or Disability benefits.</p>	<p>Elderly Status: Applicant's signature on Application is generally sufficient.</p>	<p>Unless the applicant receives income or benefits for which elderly or disable status is a requirement, such status must be verified.</p> <p>Status of disabled family members must be verified for entitlement to \$480 dependent deduction and disability assistance allowance.</p>

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources			Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Third Party		Documents Provided by Applicant		
	Written	Oral			
Medical expenses	Verification by a doctor, hospital, or clinic, dentist, Pharmacist, etc. of estimated medical costs to be incurred or regular payments expected to be made on outstanding bills, which are not covered by insurance.	Telephone or in-person contact with these sources, documented in file by the HRA.	<p>Copies of cancelled checks, which verify payments on outstanding medical bills, which will continue for all or, part of the next 12 months.</p> <p>Copies of income tax forms (Schedule A, IRS Form 1040), which itemize medical expenses, when the expenses are not expected to change over the next 12 months.</p> <p>Receipts, cancelled checks, pay stubs, which indicate health insurance premium costs, or payments to a resident attendant.</p> <p>Receipts or ticket stubs which verify transportation expenses directly related to medical expenses.</p>	Notarized statement or signed affidavit of transportation expenses directly related to medical treatment, if there is no other source of verification.	Medical expenses are not allowable as deduction unless applicant is elderly or disabled household. Status must be verified.
Care attendant for disabled family members.	<p>Written verification from attendant stating amount received, frequency of payments, hours of care.</p> <p>Written certification from doctor or rehabilitation agency that care is necessary to employment of household member.</p>	Telephone or in-person contact with source documented in file by the HRA.	Copies of receipts or cancelled checks indicating payment amount and frequency.	Notarized statement or signed affidavit attesting to amounts paid.	The HRA must determine if this expense is to be considered medical or disability assistance.

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources			Self-Declaration	Information Which Must Be Obtained/ Verification Tips
	Third Party		Documents Provided by Applicant		
	Written	Oral			
Auxiliary apparatus.	<p>Written verification from Source of costs and purpose of apparatus.</p> <p>Written certification from Doctor or rehabilitation Agency that use of apparatus Is necessary to employment of any household member.</p> <p>In case where the disabled person is employed, statement from employer that apparatus Is necessary for employment.</p>	Telephone or in-person contact with these sources documented in file by the HRA.	Copies of receipts or evidence of periodic payments for apparatus.		The HRA must determine if expense is to be considered medical or disability assistance.
Childcare expenses.	<p>Written verification from Person who provides care indicating amount of Payment, hours of care, Names of children, frequency Of payment, and whether or Not care is necessary to employment or education.</p>	Telephone or in-person contact with these sources documented in file by the HRA.	Copies of receipts or cancelled checks indicating payments.		<p>Allowance provided only for care of children 12 and younger</p> <p>When same care provider takes care of children and disabled person, the HRA must pro-rate expenses accordingly.</p> <p>HRA should keep in mind that costs may be higher in summer months, and during holiday periods.</p> <p>The HRA must determine which household member has been enabled to work.</p> <p>Care for employment and education must be prorated to compare to earnings.</p> <p>Costs must be "reasonable".</p>

VERIFICATION REQUIREMENTS

Factor to be Verified	Acceptable Sources				Information Which Must Be Obtained/ Verification Tips
	Third Party		Documents Provided by Applicant	Self-Declaration	
	Written	Oral			
Full-time student status (of family member 18 or older, excluding head, spouse, or foster children).	Verification from the Admissions or Registrar's Office or dean, counselor, advisor, etc. or from VA Office.	Telephone or in-person contact with these sources documented in file by the HRA.	School records, such as paid fee statements, which show a sufficient number of credits to be considered a full-time student by the educational institution attended.		
	Verification from reliable medical source	Telephone or in-person contact with these sources documented in file by the HRA.			

10.3 Verification of Citizenship or Eligible Noncitizen Status

- A. The citizenship/ eligible non-citizen status of each family member regardless of age must be determined.
1. Prior to being admitted, or at the first reexamination, all citizens and nationals will be required to sign a declaration under penalty of perjury. (They will be required to show proof of their status by such means as Social Security card, birth certificate, military ID or military DD 214 Form.)
 2. Prior to being admitted or at the first reexamination, all eligible non-citizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age.
 3. Prior to being admitted or at the first reexamination, all eligible non-citizens must sign a declaration of their status and a verification consent form and provide their original INS documentation. The SEMMCHRA will make a copy of the individual's INS documentation and place the copy in the file. The SEMMCHRA also will verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, the SEMMCHRA will mail information to the INS so a manual check can be made of INS records.
 4. Family members who do not claim to be citizens, nationals or eligible non-citizens, or whose status cannot be confirmed, must be listed on a statement of non-eligible members and the head of the household must sign the list.
 5. Non-citizen students on student visas, though in the country legally, are not eligible to be admitted to the Section 8 Program.
 6. Any family member who does not choose to declare their status must be listed on the statement of non-eligible members.
 - a. If no family member is determined to be eligible under this Section, the family's admission will be denied.
 - b. The family's assistance will not be denied, delayed, reduced or terminated because of a delay in the process of determining eligible status under this Section, except to the extent that the family causes the delay.
 7. If the SEMMCHRA determines that a family member has knowingly permitted an ineligible non-citizen (other than any ineligible non-citizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination.

10.4 TIMING OF VERIFICATION

Verification must be dated within 60 days of certification or reexamination for persons on the waiting list and 120 days for persons already on the program.. If the verification is older than this, the source will be contacted and asked to provide information regarding any changes.

When an interim reexamination is conducted, the Housing Authority will verify and update only those elements reported to have changed.

10.5 FREQUENCY OF OBTAINING VERIFICATION

For each family member, citizenship/eligible non-citizen status will be verified only once. This verification will be obtained prior to admission. If the status of any family member was not determined prior to admission, verification of their status will be obtained at the next regular reexamination. Prior to a new member joining the family, their status will be verified.

For each family member age 6 and above, verification of Social Security Number will be obtained only once. This verification will be accomplished prior to admission. When a family member who did not have a Social Security Number at admission receives a Social Security Number, that number will be verified at the next regular reexamination. Likewise, when a child turns six, their verification will be obtained at the next regular reexamination.

11.0 RENT AND HOUSING ASSISTANCE PAYMENT

11.1 RENT REASONABLENESS

- A. The Housing Authority will not approve an initial rent or a rent increase in any of the tenant-based programs without determining that the rent amount is reasonable. Reasonableness is determined prior to the initial lease and at the following times:
1. Before entering into a HAP contract;
 2. Before any increase in rent to owner is approved;
 3. If 60 days before the contract anniversary date there is a 5% decrease in the published FMR as compared to the previous FMR; and
 4. If the Housing Authority or HUD directs that reasonableness be re determined.

11.2 COMPARABILITY

- A. In making a rent reasonableness determination, the Housing Authority will compare the rent for the unit to the rent of comparable units in the same or comparable neighborhoods. The Housing Authority will consider the location, quality, size, number of bedrooms, age, amenities, housing services, maintenance and utilities of the unit and the comparable units.
1. The Housing Authority will maintain current survey information on rental units in the jurisdiction.
- B. Owners are invited to submit information to the survey at any time. Owners may review the determination made on their unit and may submit additional information or make improvements to the unit that will enable the Housing Authority to establish a higher value.
1. The owner must certify the rents charged for other units. By accepting the housing assistance payment each month the owner is certifying that the rent to owner is not more than the rent charged by the owner for comparable unassisted units in the premises.

11.3 MAXIMUM SUBSIDY

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

For the Voucher Program, the maximum payment standard will be 110% of the FMR without prior approval from HUD, or the exception payment standard approved by HUD.

For a voucher tenancy in an insured or noninsured 236 projects, a 515 project of the Rural Development Administration, or a Section 221(d)(3) below market interest rate project the payment standard may not exceed the basic rent charged including the cost of tenant-paid utilities.

For manufactured home space rental, the maximum subsidy under any form of assistance is the Fair Market Rent for the space as outlined in 24 CFR 982.888.

11.4. Setting the Payment Standard

HUD requires that the Housing Authority set between 90 and 110% of the FMR as the payment standard. The SEMMCHRA will review its determination of the payment standard annually after publication of the FMRs. The SEMMCHRA will consider vacancy rates and rents in the market area, size and quality of units leased under the program, rents for units leased under the program, success rates of voucher holders in finding units, and the percentage of annual income families are paying for rent under the Voucher Program. If it is determined that success rates will suffer or that families have to rent low quality units or pay over 40% of income for rent, the payment standard may be raised to the level judged necessary to alleviate these hardships.

Payment standards will not be raised solely to allow the renting of luxury quality units.

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

Before increasing any payment standard, the Housing Authority will conduct a financial feasibility test to ensure that in using the higher standard, adequate funds will continue to be available to assist families in the program.

11.5 Selecting the Correct Payment Standard for a Family

- A. For the voucher tenancy, the payment standard for a family is the lower of:
 - 1. The payment standard for the family unit size; or
 - 2. The payment standard for the unit size rented by the family.
- B. If the unit rented by a family is located in an exception rent area, the Housing Authority will use the appropriate payment standard for the exception rent area.
- C. During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:
 - 1. The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner; or
 - 2. The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.

- D. At the next annual reexamination following a change in family size or composition during the HAP contract term and for any reexamination thereafter, paragraph C above does not apply.
- E. If there is a change in family unit size resulting from a change in family size or composition, the new family unit size will be considered when determining the payment standard at the next annual reexamination.

11.6 Area Exception Rents

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

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

11.7 ASSISTANCE AND RENT FORMULAS

A. Total Tenant Payment

The total tenant payment is equal to the highest of:

1. 10% of monthly income
2. 30% of adjusted monthly income
3. Minimum rent
4. Plus any rent above the payment standard.

B. Minimum Rent.

The SEMMCHRA has set the minimum rent as \$ 25. However, if the family requests a hardship exemption, the SEMMCHRA will suspend the minimum rent for the family beginning the month following the family's hardship request. The suspension will continue until the Housing Authority can determine whether hardship exists and whether the hardship is of a temporary or long-term nature. During suspension, the family will not be required to pay a minimum rent and the Housing Assistance Payment will be increased accordingly.

1. A hardship exists in the following circumstances:

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

C. Section 8 Merged Vouchers

1. The payment standard is set by the Housing Authority between 90% and 110% of the FMR or higher or lower with HUD approval.
2. The participant pays the greater of the Total Tenant Payment or the minimum rent, plus the amount by which the gross rent exceeds the payment standard.
3. No participant when initially receiving tenant-based assistance on a unit shall pay more than 40% of their monthly-adjusted income.

D. Section 8 Preservation Vouchers

1. Payment Standard

- a. The payment standard is the lower of:
 - i. The payment standard amount for the appropriate family unit size; or
 - ii. The payment standard amount for the size of the dwelling unit actually rented by the family.
- b. If the dwelling unit is located in an exception area, the SEMMCHRA will use the appropriate payment standard for the exception area.
- c. During the HAP contract term, the payment standard for the family is the higher of:
 - i. The initial payment standard (at the beginning of the HAP contract term), as determined in accordance with paragraph (1)(a) or (1)(b) of this section, minus any amount by which the initial rent to the owner exceeds the current rent to the owner; or
 - ii. The payment standard as determined in accordance with paragraph (1)(a) or (1)(b) of this section, as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
- d. At the next regular reexamination following a change in family composition that causes a change in family unit size during the HAP contract term, and for any examination thereafter during the term:
 - i. Paragraph (c)(i) of this section does not apply; and
 - ii. The new family unit size must be used to determine the payment standard.

2. The SEMMCHRA will pay a monthly housing assistance payment on behalf of the family that equals the lesser of:

- a. The payment standard minus the total tenant payment; or
- b. The gross rent minus the total tenant payment.

E. Manufactured Home Space Rental: Section 8 Vouchers

1. The payment standard for a participant renting a manufactured home space is the published FMR for rental of a manufactured home space.

2. The space rent is the sum of the following as determined by the Housing Authority:
 - a. Rent to the owner for the manufactured home space;
 - b. Owner maintenance and management charges for the space; and
 - c. Utility allowance for tenant paid utilities.
3. The participant pays the rent to owner less the HAP.
4. HAP equals the lesser of:
 - a. The payment standard minus the total tenant payment; or
 - b. The rent paid for rental of the real property on which the manufactured home owned by the family is located.

F. Rent for Families under the Non-citizen Rule

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

1. The family was receiving assistance on June 19, 1995;
2. The family was granted continuation of assistance before November 29, 1996;
3. The family's head or spouse has eligible immigration status; and
4. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

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

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

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

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

11.8 UTILITY ALLOWANCE

- A. In calculating the gross rent for units leased under the housing choice voucher program, as well as the HAP payment for which the family qualifies, the HRA must consider not only the contract rent that is paid to the owner, but also the anticipated cost of any utilities that the tenant family is required to pay. The request for tenancy approval submitted by the owner and the prospective tenant tells the HRA the utilities the tenant will pay for directly, and the utilities that are included in the rent. These provisions are incorporated into the lease and the HAP contract. Any time a change is made in the responsibility for payment of utility expenses, the owner and the tenant must report the change to the HRA so that the contract rent and the utility allowance can be adjusted accordingly.
1. The Housing Authority maintains a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse)).
 2. The utility allowance schedule is determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the Housing Authority uses normal patterns of consumption for the community as a whole and current utility rates.
 3. The Housing Authority reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. The Housing Authority maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with the HRA.
 4. The Housing Authority uses the appropriate utility allowance for the size of dwelling unit actually leased by the family (rather than the family unit size as determined under the Housing Authority subsidy standards).
 5. At each reexamination, the Housing Authority applies the utility allowance from the most current utility allowance schedule.

6. The Housing Authority will approve a request for a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.
7. The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to the owner. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant.

11.9 HOUSING ASSISTANCE PAYMENTS – HAP CONTRACT

- A. The HAP contract is a written agreement between the HRA and the owner of a unit occupied by a housing choice voucher program participant. The HAP contract must be in the form prescribed by HUD. Under the HAP contract, the HRA agrees to make housing assistance payments to the owner on behalf of a specific family leasing a specific unit.

The Housing Authority pays the owner the lesser of the housing assistance payment or the rent to owner. If payments are not made when due, the owner may charge the SEMMCHRA a late payment, agreed to in the Contract and in accordance with generally accepted practices in the SEMMCHRA jurisdiction.

Prior to HRA approval of the assisted tenancy and the execution of a HAP contract, the HRA must ensure that the following program requirements have been met:

1. Owner is eligible
 2. Unit is eligible
 3. Unit has been inspected by the HRA and meets HQS
 4. Lease includes the tenancy addendum
 5. Rent charged by the owner is reasonable
- B. Upon approval of the assisted tenancy, the owner and the HRA can execute the HAP contract. Housing assistance payments are due to the owner no later than the 5th day of each month. The owner's right to receive housing assistance payments depends on compliance with all the provisions of the HAP contract. The owner's endorsement on the HAP check signifies that the owner has agreed to and is in compliance with the terms of the HAP contract. No payments may be made to the owner after the family moves out of the unit or the lease term ends.

C. Owner Approvals

Prior to executing a HAP contract and processing housing assistance payments, the HRA must determine that the owner of the assisted unit is eligible to participate in the housing choice voucher program. The term “owner” may include a principal or other interested party.

D. Debarment and Other Causes for Disapproval

The HRA must not approve an owner’s participation in the program if:

1. HUD or another party informs the HRA that the owner is debarred, suspended, or subject to a limited denial of participation;
2. HUD informs the HRA that the federal government has instituted an administrative or judicial action against the owner for a violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending; or
3. The owner of the unit is a relative of the family to be assisted, unless approving such a tenancy would provide reasonable accommodation for a disabled family member;
4. The owner of the unit has a current interest or will have an interest for one year thereafter;
5. Violation of obligations under one or more HAP contracts under the housing choice voucher program or the Section 8 project-based program;
6. Acts of fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
7. Participation in any drug-related criminal activity or any violent criminal activity;
8. Current or previous practice of non-compliance with HQS;
9. Failure to pay state or local real estate taxes, fines, or assessments.

E. Term of HAP Contract

The term of the HAP contract must run concurrently with the term of the lease, including any extensions of the lease term. The HAP contract and the housing assistance payments made under the HAP contract terminate automatically in each of the following situations:

1. Owner or tenant terminates the lease;
2. Lease expires;
3. HRA terminates the HAP contract;

4. HRA terminates assistance for the family;
5. Family moves from the unit;
6. When 180 days has elapsed since the last HAP payment;
7. If the family is absent for longer than 120 days without being justified to the HRA;
8. Upon expiration of the annual contributions contract.

11.10 CHANGE OF OWNERSHIP

The SEMMCHRA requires a written request by the owner who executed the HAP contract in order to make changes regarding who is to receive the SEMMCHRA rent payment or the address as to where the rent payment should be sent.

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

1. 1. Deed of Trust showing the transfer of title; and
2. Tax Identification Number or Social Security Number.

New owners will be required to execute IRS form W-9. The SEMMCHRA may withhold the rent payment until the taxpayer identification number is received.

12.0 INSPECTION POLICIES AND HOUSING QUALITY STANDARDS

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

The SEMMCHRA must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family and owner will be notified of the inspection appointment by first class mail. If the family cannot be at home for the scheduled inspection appointment, the family must call and reschedule the inspection or make arrangements to enable the Housing Authority to enter the unit and complete the inspection.

If the family misses the scheduled inspection and fails to reschedule the inspection, the SEMMCHRA will only schedule one more inspection. If the family misses two inspections, the SEMMCHRA will consider the family to have violated a Family Obligation and their assistance will be terminated.

12.1 TYPES OF INSPECTIONS

There are seven types of inspections the SEMMCHRA will perform:

1. Initial Inspection - An inspection that must take place to insure that the unit passes HQS before assistance can begin.
2. Annual Inspection - An inspection to determine that the unit continues to meet HQS.
3. Complaint Inspection - An inspection caused by the Authority receiving a complaint on the unit by anyone.
4. Special Inspection - An inspection caused by a third party, i.e. HUD, needing to view the unit.
5. Emergency - An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.
6. Quality Control Inspection - Supervisory inspections on at least 5% of the total number of units that were under lease during the Housing Authority's previous fiscal year.

12.2 OWNER AND FAMILY RESPONSIBILITY

A. Owner Responsibility for HQS

1. The owner must maintain the unit in accordance with HQS.
2. If the owner fails to maintain the dwelling unit in accordance with HQS, the SEMMCHRA will take prompt and vigorous action to enforce the owner obligations. The

SEMMCHRA remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.

3. The SEMMCHRA will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the SEMMCHRA and the SEMMCHRA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30 calendar days (or any SEMMCHRA approved extension).
4. The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible. Furthermore, the SEMMCHRA may terminate assistance to a family because of the HQS breach caused by the family.

B. Family Responsibility for HQS

1. The family is responsible for a breach of the HQS that is caused by any of the following:
 - a. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
 - b. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or
 - c. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).
2. If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any SEMMCHRA approved extension).
3. If the family has caused a breach of the HQS, the SEMMCHRA will take prompt and vigorous action to enforce the family obligations. The SEMMCHRA may terminate assistance for the family in accordance with policy

12.3 HOUSING QUALITY STANDARDS (HQS)

This Section states performance and acceptability criteria for these key aspects of the following housing quality standards:

A. Sanitary Facilities

1. Performance Requirements

The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.

2. Acceptability Criteria

- a. The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.
- b. The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.
- c. The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.
- d. The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

B. Food Preparation and Refuse Disposal

1. Performance Requirements

- a. The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.
- b. There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

2. Acceptability Criteria

- a. The dwelling unit must have an oven, a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. Either the owner or the family may supply the equipment. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.
- b. The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.
- c. The dwelling unit must have space for the storage, preparation, and serving of food.

- d. There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

C. Space and security

1. Performance Requirement

The dwelling unit must provide adequate space and security for the family.

2. Acceptability Criteria

- a. At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.
- b. The dwelling unit must have at least one bedroom or living/ sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.
- c. Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.
- d. The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

D. Thermal Environment

1. Performance Requirement

The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

2. Acceptability Criteria

- a. There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.
- b. The dwelling unit must not contain un-vented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

E. Illumination and Electricity

1. Performance Requirement

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

2. Acceptability Criteria

- a. There must be at least one window in the living room and in each sleeping room.
- b. The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.
- c. The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

F. Structure and Materials

1. Performance Requirement

The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

2. Acceptability Criteria

- a. Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.
- b. The roof must be structurally sound and weather tight.
- c. The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.
- d. The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

- e. Elevators must be working and safe.

G. Interior Air Quality

1. Performance Requirement

The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

2. Acceptability Criteria

- a. The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.
- b. There must be adequate air circulation in the dwelling unit.
- c. Bathroom areas must have one window that can be opened or other adequate exhaust ventilation.
- d. Any room used for sleeping must have at least one window. If the window is designed to be opened, the window must work.

H. Water Supply

1. Performance Requirements

The water supply must be free from contamination.

2. Acceptability Criteria

The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

I. Lead-based Paint

1. Definitions

- a. Chewable surface: Protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age; for example, protruding corners, window sills and frames, doors and frames, and other protruding woodwork.
- b. Component: An element of a residential structure identified by type and location, such as a bedroom wall, an exterior window sill, a baseboard in a living room, a

kitchen floor, an interior window sill in a bathroom, a porch floor, stair treads in a common stairwell, or an exterior wall.

- c. Defective paint surface: A surface on which the paint is cracking, scaling, chipping, peeling, or loose.

2. Performance Requirements

- a. To eliminate as far as practicable the hazards of lead-based paint poisoning for units assisted
- b. The requirements of this paragraph of this Section do not apply to 0-bedroom units, units that are certified by a qualified inspector to be free of lead-based paint, or units designated exclusively for the elderly. The requirements of to all units constructed prior to 1978.
- c. If a dwelling unit constructed before 1978 is occupied by a family that includes a child under the age of six years, the initial and each periodic inspection (as required under this part), must include a visual inspection for defective paint surfaces. If defective paint surfaces are found, such surfaces must be treated in accordance with paragraph k of this Section.
- d. The Housing Authority may exempt from such treatment defective paint surfaces that are found in a report by a qualified lead-based paint inspector not to be lead-based paint, as defined in paragraph 1(f) of this Section. For purposes of this Section, a qualified lead-based paint inspector is a State or local health or housing agency, a lead-based paint inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD.
- e. Treatment of defective paint surfaces required under this Section must be completed within 30 calendar days of Housing Authority notification to the owner. When weather conditions prevent treatment of the defective paint conditions on exterior surfaces within the 30-day period, treatment as required by paragraph j of this Section may be delayed for a reasonable time.
- f. The requirements in this paragraph apply to:
 - i. All painted interior surfaces within the unit (including ceilings but excluding furniture);
 - ii. The entrance and hallway providing access to a unit in a multi-unit building; and
 - iii. Exterior surfaces up to six feet from the floor or ground that are readily accessible to children under six years of age (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).
- g. The requirements apply to all protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age:
 - i. Within the unit;

- ii. The entrance and hallway providing access to a unit in a multi-unit building; and
 - iii. Exterior surfaces (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).
- h. Treatment of defective paint surfaces and chewable surfaces must consist of covering or removal of the paint in accordance with the following requirements:
- i. A defective paint surface shall be treated if the total area of defective paint on a component is:
 - (1) More than 10 square feet on an exterior wall;
 - (2) More than 2 square feet on an interior or exterior component with a large surface area, excluding exterior walls and including, but not limited to, ceilings, floors, doors, and interior walls;
 - (3) More than 10% of the total surface area on an interior or exterior component with a small surface area, including, but not limited to, windowsills, baseboards and trim.
 - ii. Acceptable methods of treatment are the following: removal by wet scraping, wet sanding, chemical stripping on or off site, replacing painted components, scraping with infra-red or coil type heat gun with temperatures below 1100 degrees, HEPA vacuum sanding, HEPA vacuum needle gun, contained hydro blasting or high pressure wash with HEPA vacuum, and abrasive sandblasting with HEPA vacuum. Surfaces must be covered with durable materials with joint edges sealed and caulked as needed to prevent the escape of lead contaminated dust.
 - iii. Prohibited methods of removal are the following: open flame burning or torching, machine sanding or grinding without a HEPA exhaust, uncontained hydro blasting or high pressure wash, and dry scraping except around electrical outlets or except when treating defective paint spots no more than two square feet in any one interior room or space (hallway, pantry, etc.) or totaling no more than twenty square feet on exterior surfaces.
 - iv. During exterior treatment soil and playground equipment must be protected from contamination.
 - v. All treatment procedures must be concluded with a thorough cleaning of all surfaces in the room or area of treatment to remove fine dust particles. Cleanup must be accomplished by wet washing surfaces with a lead solubilizing detergent such as trisodium phosphate or an equivalent solution.
 - vi. Waste and debris must be disposed of in accordance with all applicable Federal, State, and local laws.
- i. The owner must take appropriate action to protect residents and their belongings from hazards associated with treatment procedures. Residents

must not enter spaces undergoing treatment until cleanup is completed. Personal belongings that are in work areas must be relocated or otherwise protected from contamination.

- j. Prior to execution of the HAP contract, the owner must inform the Housing Authority and the family of any knowledge of the presence of lead-based paint on the surfaces of the residential unit.
- k. The Housing Authority must keep a copy of each inspection report for at least three years. If a dwelling unit requires testing, or if the dwelling unit requires treatment of chewable surfaces based on the testing, the Housing Authority must keep the test results indefinitely and, if applicable, the owner certification and treatment. The records must indicate which chewable surfaces in the dwelling units have been tested and which chewable surfaces were tested or tested and treated in accordance with the standards prescribed in this Section, such chewable surfaces do not have to be tested or treated at any subsequent time.

J. Access

- 1. Performance Requirements
The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

K. Site and Neighborhood

- 1. Performance Requirements
The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.
- 2. Acceptability Criteria
The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

L. Sanitary Condition

- 1. Performance Requirements
The dwelling unit and its equipment must be in sanitary condition.
- 2. Acceptability Criteria
The dwelling unit and its equipment must be free of vermin and rodent infestation.

M. Smoke Detectors

- 1. Performance Requirements
 - a. Except as provided in paragraph b below of this Section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements.

If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired persons.

- b. For units assisted prior to April 24, 1993, owners who installed battery-operated or hard-wired smoke detectors prior to April 24, 1993, in compliance with HUD's smoke detector requirements, will not be required subsequently to comply with any additional requirements mandated (i.e., the owner would not be required to install a smoke detector in a basement not used for living purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).

12.4 EXCEPTIONS TO THE HQS ACCEPTABILITY CRITERIA

The SEMMCHRA will utilize the acceptability criteria as outlined above with applicable State and local codes. Additionally, the SEMMCHRA has received HUD approval to require the following additional criteria:

- A. In each room, there will be at least one exterior window that can be opened and that contains a screen.
- B. Owners will be required to scrape peeling paint and repaint all surfaces cited for peeling paint with 2 coats of non-lead paint. An extension may be granted as a severe weather related item as defined below.
- C. Adequate heat shall be considered to be 68 degrees.
- D. In units where the tenant must pay for utilities, each unit must have separate metering device(s) for measuring utility consumption.
- E. A ¾" overflow pipe must be present on the hot water heater safety valves and installed down to within 6 inches of the floor.

12.5 TIME FRAMES AND CORRECTIONS OF HQS FAIL ITEMS

- A. Correcting Initial HQS Fail Items

The SEMMCHRA will schedule a timely inspection of the unit on the date the owner indicates that the unit will be ready for inspection, or as soon as possible thereafter (within 5 working days) upon receipt of a Request for Tenancy Approval. The owner and participant will be notified in writing of the results of the inspection. If the unit fails HQS again, the owner and the participant will be advised to notify the SEMMCHRA to reschedule a re-inspection when the repairs have been properly completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as failed, depending on the extent of the repairs that are required to be made. No unit will be placed in the program until the unit meets the HQS requirements.

B. HQS Fail Items for Units under Contract

The owner or participant will be given time to correct the failed items cited on the inspection report for a unit already under contract. If the failed items endanger the family's health or safety (using the emergency item list below), the owner or participant will be given 24 hours to correct the violations. For less serious failures, the owner or participant will be given up to 30 days to correct the failed item(s).

If the owner fails to correct the HQS failed items after proper notification has been given, the SEMMCHRA will abate payment and terminate the contract in accordance with policy.

If the participant fails to correct the HQS failed items that are family-caused after proper notification has been given, the SEMMCHRA will terminate assistance for the family in accordance with policy.

C. Time Frames for Corrections

1. Emergency repair items must be abated within 24 hours.
2. Repair of refrigerators, range and oven, or a major plumbing fixture supplied by the owner must be abated within 72 hours.
3. Non-emergency items must be completed within 10 days of the initial inspection.
4. For major repairs, the owner will have up to 30 days to complete.

D. Extensions

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

12.6 EMERGENCY FAIL ITEMS

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

1. No hot or cold water
2. No electricity

3. Inability to maintain adequate heat
4. Major plumbing leak
5. Natural gas leak
6. Broken lock(s) on first floor doors or windows
7. Broken windows that unduly allow weather elements into the unit
8. Electrical outlet smoking or sparking
9. Exposed electrical wires, which could result in shock or fire
10. Unusable toilet when only one toilet is present in the unit
11. Security risks such as broken doors or windows that would allow intrusion
12. Other conditions which pose an immediate threat to health or safety

12.7 ABATEMENT

When a unit fails to meet HQS and the owner has been given an opportunity to correct the deficiencies, but has failed to do so within in the required timeframe, the rent for the dwelling unit will be abated.

The initial abatement period will not exceed 7 days. If the corrections of deficiencies are not made within the 7-day timeframe, the abatement will continue until the HAP contract is terminated. When the deficiencies are corrected, the SEMMCHRA will end the abatement the day the unit passes inspection. Rent will resume the following day and be paid the first day of the next month.

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

13.0 RECERTIFICATION

13.1 ANNUAL REEXAMINATION

- A. At least annually the SEMMCHRA will conduct a reexamination of family income and circumstances. The HRA will require re re-examinations more frequently when the family has seasonal or irregular income. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family subsidy is correct based on the family unit size.

The re-examination date will be effective on the anniversary date of the HAP Contract. The HRA will initiate re-examination procedures 90 to 120 days before the date re-examination results are to take effect. The SEMMCHRA will send a notification letter to the family letting them know that it is time for their annual re-examination. The letter includes forms for the family to complete.

The family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign the HUD consent form and other consent forms that later will be mailed to the sources that will verify the family circumstances.

Assisted families are not required to demonstrate income eligibility at the time of re-examination.

- B. When completing a re-examination, the HRA will carefully consider the following:

1. Changes in income, assets, and family composition and circumstance, especially significant changes, should be evaluated and the family should provide an explanation if there appear to be discrepancies with past information or other current information.
2. Changes in family composition may require the family to move to a larger or smaller unit.
3. The HAP calculation must use the correct payment standard for the family and for the appropriate size unit and area.
4. The HAP calculation must reflect any changes in the utility arrangement or in the HRA utility allowance schedule.
5. Rent increases requested by owners must be processed.

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

13.2 Effective Date of Rent Changes for Annual Reexaminations

- A. The new family share will generally be effective upon the anniversary date with 30 days notice of any rent increase to the family. Decreases in the family's share of the rent are effective on the first day of the month following the change.

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

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

An addendum to the contract will be sent to the family and owner covering the following:

1. The amount and effective date of the new HAP;
2. The amount and effective date of the new family share of the rent; and
3. The amount and effective date of the new rent to owner.

If the TTP increases as a result of the re-examination, the assisted family will be given the opportunity for an informal hearing.

13.3 Families Ineligible for Continued Assistance

- A. If the annual re-examination results in zero HAP, the family may continue as a program participant for six months from the date of the re-examination effective date. If the family circumstances change during the six-month period and the family again needs assistance, the HRA will conduct an interim re-examination and reinstate assistance. At the end of six months, if the subsidy has not been restored, the HAP contract will terminate. The HRA will provide the family and the owners at least 30 days advance notification of the proposed termination and an opportunity to request an informal hearing.

13.4 Applying a Different Payment Standard

- A. The HRA will apply a new payment standard at the annual re-examination if any of the following events occur:
 1. If the HRA has increased the payment standard applicable to the family or area, it must use the increased payment standard.
 2. If the HRA has adopted new subsidy standards, the payment standard for the appropriate unit size under the HRA new subsidy standard is used if the family moves. If the family does not move, the payment standard for the new subsidy standards applies only if it is higher than the family's previous payment standard. If the payment standard for the appropriate unit size under the HRA new subsidy standard is lower than the family's previous payment standard, the payment standard for the new subsidy standards applies at the effective date of the family's first regular re-examination following the effective date of the decrease in the payment standard amount.

13.5 Increases in Rent to the Owner

- A. An owner may increase the unit rent any time an increase is allowed under the terms of the lease. The owner must give the HRA at least 60 days advance notice of any changes in the amount of rent to the owner.

The allowed rent increase is the lesser of the following:

1. The reasonable rent as determined by the HRA; or
2. The amount requested by the owner.

13.6 Missed Appointments

If the family fails to respond to the letter, a second letter will be mailed. The second letter will advise the participant to return the re-certification papers. The letter will also advise that failure by the family to respond will result in the SEMMCHRA taking action to terminate the family's assistance.

13.7 INTERIM REEXAMINATIONS

The HRA must reexamine income and composition of all tenant families at least once every twelve (12) months and determine whether the family's unit size is still appropriate.

The HRA will require a written Application for continued Occupancy from each family, signed by the head of the family or the spouse/co-head which will set forth in adequate detail all data and information necessary to enable the Authority to determine: (1) the rent to be charged; and (2) the size of the unit required.

Families determined to have stable income will not be required to report any increase in income or decreases in allowable expenses between annual reexaminations.

The HRA may conduct re-examinations more frequently than once a year due to special family circumstances or changes in program regulations. The family's eligibility for continued occupancy will only be determined during a regular or interim re-examination.

- A. **Unusual Income Situations:** The HRA will initiate more frequent re-examinations if the family reports un-stable income under the following circumstances:
1. Families with zero income must have their incomes re-examined at least every 90 days.
 2. Families with income that cannot be projected with reasonable accuracy due to its temporary or sporadic nature will have more frequent re-examination:
 - i. They will have their incomes re-examined at intervals of not less than 30 days (monthly) and no more than 90 days (quarterly).
 - ii. The HRA will set a schedule for re-examinations that is appropriate to the family's circumstances.
 3. Families with a pattern of seasonal income have two options:

- iii. At the time of their annual re-examination, they may choose to have their rent based on a year-round average, using records of recent year's income patterns; or
- iv. They may choose to have their rent based upon their lower monthly income during the off-season and have their rent adjusted during the period of seasonal employment.

B. Other Interim Re-Examinations: Between regularly scheduled re-examination, if there are changes in a family's income, household composition, or eligible deductions, an interim re-examination may be conducted.

a. Family Requests for Re-Examinations: Families have the choice of requesting an interim re-examination under the following circumstances:

- i. They receive a decrease in income which may result in a rent decrease;
 - 1. The HRA will not process an interim re-examination when the family reports a loss of welfare benefits due to fraud or a failure to participate in self-sufficiency or work activity.
- ii. They have an increase in the following eligible allowances or deductions;
 - 1. An increase in expenses for the care of a child or member with a handicap, or
 - 2. An increase in permissible deductions and/or expenses due to a change in HUD regulations, or
 - 3. For elderly families only, an increase in medical expenses; or
 - 4. An increase in the number of dependents.

b. **Circumstances Requiring an Interim Re-Examination:** An Interim Re-examination must be performed when any one of the circumstances listed below occurs. In these circumstances, all changes in household status and income will be considered in determining Total Tenant Payment.

- i. **Household changes:** New persons may not be added to the household without the HRA prior approval (other than the birth of a child). The HRA will not approve the addition of new household member(s) if by doing so it would over-occupy the unit. The household voucher size will only be increased if the addition of household member(s) is expected to be of a long-term duration (12 months or more). A person is considered to have moved into the unit if they have stayed at the unit for more than 14 consecutive days or more than 30 days spread over a 12-month period. Tenants must report all changes in household composition within 10 days of the occurrence involving:
 - 1. Any addition or loss of an adult member; or
 - 2. The addition or loss of a minor to the household.

c. **Applicants or Participants having Zero income;** Families must report any change in their income, that is likely to continue, must be reported within 10 days after it is received for the first time. A rent adjustment will be made if the increase amounts to \$200 a month or more.

d. **HRA Error:**

- i. When an error is made by the HRA at admission or re-examination, the participant is encouraged to report the error to the HRA as soon as they become aware of it so an Interim Re-Examination can be conducted.
- ii. No retroactive rent increase will be made against the family when the HRA has made an error.

- e. **Timing of Changes for All Participants;** Upon completion of any re-examination, the HRA will promptly notify the family and owner of the new Family Rent Housing Assistance Payment and Total Rent to Owner.
 - i. **Rent Decrease:** If the family rent decreases as a result of any income re-examination, the new rent amount will be effective with the next month's rent payment.
 - ii. **Rent Increases:** If the Family Rent increases as a result of an annual income re-examination, the HRA must provide 30 days written notice to the participant of the new rent amount.
 - iii. **Failure to Report Increases:** If the family, who is listed at zero income, fails to report an increase in total family income of \$200 a month or more, the HRA may increase the required Family Rent retroactively, or terminate the family from the Section 8 Program for failure to comply with program regulations. The rent increase may be imposed retroactive to the first day of the second month after the increase in income occurred.
 - iv. **Notification:** The HRA will notify the family in writing of any change in the Family Rent and state the reasons. The HRA will give the family an opportunity to request an informal hearing on the matter.

13.9 Special Reexaminations

If a family's income is too unstable to project for 12 months, including families that temporarily have no income or have a temporary decrease in income, the SEMMCHRA may schedule special reexaminations every 60 days until the income stabilizes and an annual income can be determined.

13.10 Effective Date of Rent Changes Due to Interim or Special Reexaminations

Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first of the second month after the month in which the family receives notice of the new rent amount. If the family causes a delay, then the rent increase will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).

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

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

14.0 TERMINATION OF ASSISTANCE AND HAP CONTRACT

To preserve the integrity of the housing choice voucher program, it is important that families abide by their family obligations and lease agreements. It is also essential that owners comply with their obligations under the terms of the HAP contract.

14.1 Termination of Tenancy by the Family

The family may terminate tenancy after the initial term of the lease. Terminations during the initial term may be allowed if the owner agrees to release the family from the lease or if the lease provides for such termination (usually with notice).

The family must give the owner notice of termination in accordance with the lease and must give the HRA a copy of this notice. In addition to informing the HRA of its intention to terminate the lease, the family must notify the HRA whether or not the family desires assistance in another location.

14.2 Termination of Tenancy by the Owner

- A. The owner must only terminate the lease in accordance with the provisions of the lease and HUD requirements. During the term of the lease, including the initial term and any extensions, the owner may only terminate tenancy for the following four reasons:
 - 1. Serious or repeated violations of the terms and conditions of the lease. A serious or repeated violation includes failure to pay rent or other amounts due under the lease;
 - 2. Violations of federal, state or local law that directly relate to the occupancy or use of the unit or premises;
 - 3. Criminal activity or alcohol abuse; or
 - 4. Other good cause.
- B. The owner may not terminate tenancy if the HRA fails to pay the housing assistance payment or pays it late. The HRA failure to make the housing assistance payment is not a violation of the lease between the family and the owner.
- C. During the initial lease term, 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. For example, the following are NOT grounds for termination of tenancy during the initial lease term:
 - 1. Failure by family to accept offer of new lease or lease revision;
 - 2. Owner desire to use unit for personal or other use; or
 - 3. Business or economic reason.

14.3 Termination for Criminal Activity and Drug and Alcohol Abuse

- A. The owner may terminate the tenancy any time during the lease term if any member of the family, guest or other person under the family’s control commits any of the following types of criminal activity;

1. Criminal activity that threatens the health, safety, or peaceful enjoyment of the premises by other residents, including property management staff;
 2. Criminal activity that threatens the health, safety, or peaceful enjoyment of the premises by people residing in the immediate vicinity; or
 3. Violent criminal activity on or near the premises; or
 4. Drug related criminal activity on or near the premises.
- B. The tenancy addendum that is part of the HAP contract also includes the following as grounds for owner terminations of tenancy;
1. Abuse of alcohol by any household member that threatens the health, safety, or right to peaceful enjoyment of the premises by residents;
 2. Fleeing by any household member to avoid prosecution, or custody or confinement after conviction for a felony or attempt to commit a felony;
 3. Violation by any household member of a condition of probation or parole under federal or state law.
- C. The owner may terminate tenancy for criminal activity by any household member, regardless of whether the household member has been arrested or convicted for such activity.

14.4 Terminations for Other Good Cause

- A. During the initial lease term and any extension of the term, other good cause may include:
1. Disturbing neighbors;
 2. Destroying property or engaging in other activities that result in damage to the unit or premises; and
 3. Carrying out living or housekeeping habits that cause damage to the unit or premises.
- B. After the initial lease term, other good cause may also include:
1. Family not accepting an offer of a new lease or revision;
 2. Owner desire to use the unit for personal or other use; and
 3. Business or economic reasons, such as the sale of the property, renovation, or the request for a rent higher than the HRA can approve.

During the initial lease term, the owner may terminate for other good cause only because of something the family did or failed to do. For example, the owner may terminate tenancy for housekeeping habits resulting in damage to the unit but not for the owner's personal use of the unit.

C. **Notification Requirements**

To terminate tenancy the owner must give the family written notice of the owner's intent to terminate the tenancy and the reasons for the termination. The tenancy does not terminate before such notice is given. The notice must be given to the tenant before any eviction process starts or as part of any eviction notice required by state or local law.

Eviction notice means a notice to vacate, or a complaint or other initial pleading used to begin an eviction action under state or local law. The owner may only evict the tenant from the unit through a court action, and the owner must give the HRA a copy of any owner eviction notice to the tenant.

14.5 HAP Contract Terminations

A. Automatic Termination

A HAP contract terminates automatically when:

1. The family moves from the unit;
2. The HRA terminates program assistance for the family
3. The owner or family terminates the lease;
4. The owner evicts the family; or
5. One hundred and eighty (180) calendar days elapses since the last housing assistance payment to the owner.

The HRA must make housing assistance payments to the owner as long as the tenant remains a program participant and remains in the unit, even if the owner has started the eviction process. The HRA must continue to pay the housing assistance payment to the owner until the family moves or the court judgment allows the owner to evict.

14.6 PHA Terminations of HAP Contract

A. The PHA may terminate the HAP contract if:

1. The PHA determines that the contract unit does not meet HQS space requirements because of an increase in family size or a change in family composition. In this case, the PHA issues the family a voucher to look for more suitable housing. If an acceptable unit is found, the PHA must notify the family and owner of the termination and must terminate the HAP contract. The HAP contract terminates on the last day of the month following the month in which the PHA provided the owner with the notice.
2. The family breaks up unless the PHA, in conformance with its policy, has decided to continue to make housing assistance payments on behalf of those family members that remain in the unit.
3. The unit does not meet all HQS requirements.
4. The PHA determines that the owner has otherwise breached the HAP contract. Owner breach of contract includes the following:
 - a. Drug-trafficking and violent criminal activity;
 - b. Fraud or bribery or other corrupt or criminal act in connection with federal housing programs;
 - c. Violations under any other HAP contract; or

- d. Failure to comply with mortgage insurance/loan program regulations, or bribery or other corrupt or criminal act in connection with the program. (Only for projects with mortgages insured or loans made from HUD.)
- 5. The PHA has insufficient funds under the consolidated ACC to continue assistance.
- 6. If the PHA terminates the contract, the PHA must give the owner and family written notice. The notice must specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no HAP payments may be made, and the PHA will not earn an administrative fee for the unit.
- 7. PHA Termination Of Assistance For Family
- 8. When the PHA Is Required to Terminate Assistance
- 9. Housing choice voucher program rules require the PHA to terminate assistance to a participating family if:
 - a. Any family member fails to sign and submit consent forms required for obtaining information on family status as party of any reexamination conducted by the PHA;
 - b. Any family member fails to declare citizenship or provide documentation of eligible non-citizen status within the prescribed timeframes and extensions; or
 - c. The family is evicted from housing assisted under the program for a serious or repeated violation of the lease.

14.7 Termination for Family Action or Failure to Act

- A. The PHA may terminate assistance because of the participating family's action or failure to act. The PHA's policies regarding actions or inactions that may lead to the termination of assistance must be described in the PHA administrative plan.

The PHA may terminate assistance by refusing to enter into a HAP contract or approve a request for tenancy, terminating housing assistance payments under an outstanding HAP contract, or refusing to process or provide assistance under portability procedures.

The PHA may terminate assistance for the following reasons:

- 1. The family violates any family obligations under the housing choice voucher program;
- 2. Any member of the family commits fraud, bribery, or other corrupt or criminal act related to any federal housing program;
- 3. Family currently owes monies to the PHA or another PHA for amounts in connection with housing choice voucher program or public housing program;

4. Family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owned by the family under the lease;
 5. Family is in breach of a repayment agreement with any PHA;
 6. Family violates the PHA's policy on absence from a unit. A family may be absent from the assisted unit to a maximum of 180 consecutive days with PHA approval. The family must provide information to the PHA related to absence from the unit, such as the notification of absence or documentation of residency as required by the PHA's policy. The PHA will verify family occupancy or absence through visits, calls, medical documentation, conversations with owners and neighbors as needed;
 7. Any member of the family has been evicted from federal assisted housing in the last five years;
 8. A PHA has ever terminated assistance under the program for any member of the family;
 9. Family has engaged in or threatened abusive or violent behavior to PHA personnel;
 10. FSS family fails to comply with the contract of participation without good cause; and
 11. Welfare-to-work family fails, willfully and persistently, to fulfill its obligations under the welfare-to-work voucher program.
- B. Prior to terminating assistance, however, the PHA must give the family the opportunity to request a hearing. In making termination decisions due to family action or failure to act, the PHA has the discretion to consider the seriousness of the issue, the level of involvement of family member, mitigating circumstances related to the disability of a family member, and the effects of termination on non-involved family members.
- C. In appropriate cases, the PHA may permit some members of the family to continue receiving assistance while imposing a condition that the family member or members who engaged in wrongful activity will not reside with the assisted family. If the family includes a person with disabilities, the PHA decision is subject to consideration of reasonable accommodation.

14.8 Termination for Criminal Activity and Alcohol Abuse

- A. The PHA must adopt standards that allow the PHA to terminate assistance for a participating family if it determines that any household member has engaged in drug-related criminal activity or violent criminal activity.
- B. The PHA must immediately terminate assistance if it determines that a member of a participating household has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine (speed) on the premises of federally assisted housing.
- C. The PHA's policies must permit the PHA to terminate assistance for a family if a member of the household is fleeing to avoid prosecution, custody, or confinement after conviction, for a crime

- D. or an attempt to commit a crime that is a felony. (In New Jersey, the term for a felony is “high misdemeanor”.) PHA policies must also permit the termination of assistance when a family member is violating a condition of probation or parole imposed under federal or state law.
- D. PHA policies must allow termination of assistance if a household member has engaged in abuse or a pattern of abusing alcohol that threatens the health, safety, or the right of peaceful enjoyment of the premises by other residents.
- E. The PHA may deny admission or terminate assistance for criminal activity if the PHA determines that the household member has engaged in the criminal activity, regardless of whether the household member has been arrested or convicted. If the PHA proposed to terminate assistance for criminal activity and possesses a copy of the relevant criminal record, the PHA must provide the family with a copy of the criminal record before the PHA hearing, and the family must be given the opportunity to dispute the accuracy and relevance of the record.
- F. In determining whether to terminate assistance for illegal drug use or alcohol abuse by a household member who is no longer using drugs or abusing alcohol, the PHA may consider whether that individual is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been successfully rehabilitated. The PHA may require the household member to submit evidence of current participation in, or successful completion of, a supervised rehabilitation program as a condition of continued assistance.
- G. When appropriate, the PHA may require that the family member who engaged in the drug use or alcohol abuse may not reside in the unit as a condition of continued assistance for the remaining members of the household.

ACHIEVING SUCCESSFUL TERMINATIONS

If the PHA learns of lease violations, a warning letter to the tenant and owner may help to change behavior and avoid possible termination. Should the violations continue, the warning letter provides documentation that the family was aware of the problem and given an opportunity to correct it.

Written documentation is essential if the tenant is to be terminated for serious or repeated lease violations or drug related criminal activity.

Even anonymous calls can be logged with dates and times of the call to document patterns of behavior.

Always provide the family and owner with sufficient notice of any proposed termination action and advise the family of the right

14.9 Notification Requirements

- A. Upon making a decision to terminate assistance, the PHA must give both the owner and the family written notice of termination that states:
 1. Reason for the termination;
 2. Effective date of the termination; and
 3. Family’s right to request a hearing.

4. There are additional notification requirements for terminating assistance based on failure to claim or document eligible immigration status. Termination of assistance affects the housing choice voucher family's right to the unit since the lease automatically terminates when the Hap contract terminates. An owner has the right, however, to offer the tenant a separate, unassisted lease.

B. Information to be Provided to the Family

Upon admission into the program, the PHA must give the family a written description of the following:

1. Family obligations under the housing choice voucher program;
2. Grounds on which the PHA may terminate assistance because of family action or failure to act; and
3. PHA informal hearing procedures.

15.0 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS

15.1 COMPLAINTS

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

15.2 INFORMAL REVIEW FOR THE APPLICANT

A. Informal Review for the Applicant

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

1. A brief statement of reasons for the decision;
2. A statement that if the family does not agree with the decision, the family may request an informal review or informal hearing; and
3. The deadline for the family to submit its request.

Upon receiving the family's request the HRA will proceed with the information review or informal hearing in a reasonably expeditious manner.

B. When an Informal Review is not Required

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

1. A determination of the family unit size under the SEMMCHRA subsidy standards.
2. A SEMMCHRA determination not to approve an extension or suspension of a voucher term.
3. A SEMMCHRA determination not to grant approval to lease a unit under the program or to approve a proposed lease.
4. A SEMMCHRA determination that a unit selected by the applicant is not in compliance with HQS.

5. A SEMMCHRA determination that the unit is not in accordance with HQS because of family size or composition.
6. General policy issues or class grievances.
7. Discretionary administrative determinations by the SEMMCHRA.

C. Informal Review Process

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

1. The review will be conducted by any person or persons designated by the SEMMCHRA other than the person who made or approved the decision under review or a subordinate of this person.
2. The applicant will be given an opportunity to present written or oral objections to the SEMMCHRA decision.
3. The SEMMCHRA will notify the applicant of the SEMMCHRA decision after the informal review within 14 calendar days. The notification will include a brief statement of the reasons for the final decision.

D. Considering Circumstances

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

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

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

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;

2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
 3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.
- E. Informal Review Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

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

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

15.3 INFORMAL HEARINGS FOR PARTICIPANTS

- A. When a Hearing is required
1. The SEMMCHRA will give a participant family an opportunity for an informal hearing to consider whether the following SEMMCHRA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and SEMMCHRA policies:
 - a. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
 - b. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the SEMMCHRA utility allowance schedule.
 - c. A determination of the family unit size under the SEMMCHRA subsidy standards.
 - d. A determination that a Voucher Program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the SEMMCHRA subsidy standards, or the SEMMCHRA determination to deny the family's request for an exception from the standards.
 - e. A determination to terminate assistance for a participant family because of the family's action or failure to act.

- f. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under the SEMMCHRA policy and HUD rules.
 - g. HRA refusal to approve a unit or tenancy.
2. In cases described in paragraphs 15.3(A)(1)(d), (e), and (f), of this Section, the SEMMCHRA will give the opportunity for an informal hearing before the SEMMCHRA terminates housing assistance payments for the family under an outstanding HAP contract.

B. When a Hearing is not required

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

1. Discretionary administrative determinations by the SEMMCHRA.
2. General policy issues or class grievances.
3. Establishment of the SEMMCHRA schedule of utility allowances for families in the program.
4. A SEMMCHRA determination not to approve an extension or suspension of a voucher term.
5. A SEMMCHRA determination not to approve a unit or lease.
6. A SEMMCHRA determination that an assisted unit is not in compliance with HQS. (However, the SEMMCHRA will provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family.)
7. A SEMMCHRA determination that the unit is not in accordance with HQS because of the family size.
8. A determination by the SEMMCHRA to exercise or not exercise any right or remedy against the owner under a HAP contract.

C. Notice to the Family

1. In the cases described in paragraphs 15.3(A)(1)(a), (b), and (c), of this Section, the SEMMCHRA will notify the family that the family may ask for an explanation of the basis of the SEMMCHRA determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.

2. In the cases described in paragraphs 15.3(A)(1)(d), (e), and (f), of this Section, the SEMMCHRA will give the family prompt written notice that the family may request a hearing within 10 business days of the notification. The notice will:
 - a. Contain a brief statement of the reasons for the decision; and
 - b. State this if the family does not agree with the decision, the family may request an informal hearing on the decision within 10 business days of the notification.

D. Hearing Procedures

The SEMMCHRA and participants will adhere to the following procedures:

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

Note: The term document includes records and regulations.

2. Representation of the Family

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

3. Hearing Officer

- a. The hearing will be conducted by any person or persons designated by the SEMMCHRA, other than a person who made or approved the decision under review or a subordinate of this person.
- b. The person who conducts the hearing will regulate the conduct of the hearing in accordance with the SEMMCHRA hearing procedures.

4. Evidence

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

5. Issuance of Decision

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

6. Effect of the Decision

The SEMMCHRA is not bound by a hearing decision:

- a. Concerning a matter for which the SEMMCHRA is not required to provide an opportunity for an informal hearing under this Section, or that otherwise exceeds the authority of the person conducting the hearing under the SEMMCHRA hearing procedures.
- b. Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.
- c. If the SEMMCHRA determines that it is not bound by a hearing decision, the SEMMCHRA will notify the family within 14 calendar days of the determination, and of the reasons for the determination.

E. Considering Circumstances

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

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

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

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

F. **Informal Hearing Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status.**

The participant family may request that the SEMMCHRA provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. The participant family must make this request within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

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

15.4 Hearing to Consider a Determination of Ineligible Immigration Status

Whenever the HRA makes a determination of ineligible immigration status, the HRA must offer an applicant or participant family the opportunity to request an informal hearing. A family may request an informal hearing within 30 days of receipt of the ineligibility determination from the U.S. Immigration and Naturalization Service (INS), or the HRA decision to delay, terminate or deny assistance.

The HRA must keep all denial or termination of assistance documents related to immigration status for a minimum of five years. These include any application for initial or continued assistance.

With good cause, HRA may extend the period to request an informal hearing related to migration status.

15.5 Timing of Informal Hearings

- A. In cases where the HRA decides to terminate or reduce a family’ assistance, the HRA must send a notice which explains the reason for the decision and provides the family the opportunity to request an informal hearing prior to the HRA terminating or reducing assistance.

A HRA may implement the following changes prior to an informal hearing;

1. Changes in total tenant payment or family share;
2. Denial of a new voucher for a family that wants to move; or
3. Unit size determinations for a family that wants to move.

16.0 TERMINATION OF THE LEASE AND CONTRACT

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

A. Termination of the lease

1. By the family

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

2. By the owner.

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

- i. Serious or repeated violations of the terms or conditions of the lease;
- ii. Violation of Federal, State, or local law that impose obligations on the tenant in connection with the occupancy or use of the unit and its premises;
- iii. Criminal activity by the household, a guest, or another person under the control of the household that threatens the health, safety, or right to peaceful enjoyment of the premises by other persons residing in the immediate vicinity of the premises;
- iv. Any drug-related criminal activity on or near the premises;
- v. Other good cause. Other good cause may include, but is not limited to:
 - (1) Failure by the family to accept the offer of a new lease;
 - (2) Family history of disturbances of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the property or unit;
 - (3) The owner's desire to utilize the unit for personal or family use or for a purpose other than use as a residential rental unit;
 - (4) A business or economic reason such as sale of the property, renovation of the unit, desire to rent at a higher rental amount.

- b. During the first year the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.
- c. The owner may only evict the tenant by instituting court action. The owner must give the SEMMCHRA a copy of any owner eviction notice to the tenant at the same time that the owner gives the notice to the tenant.
- d. The owner may terminate the contract at the end of the initial lease term or any extension of the lease term without cause by providing notice to the family that the lease term will not be renewed.

3. Termination of the Lease by mutual agreement

The family and the owner may at any time mutually agree to terminate the lease.

B. Termination of the Contract

1. Automatic termination of the Contract

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

2. Termination of the contract by the owner

The owner may only terminate tenancy in accordance with lease and State and local law.

3. Termination of the HAP contract by the SEMMCHRA

The Housing Authority may terminate the HAP contract because:

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

- e. The SEMMCHRA determines that there is insufficient funding in their contract with HUD to support continued assistance for families in the program.
 - f. The owner has breached the contract in any of the following ways:
 - i. If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.
 - ii. If the owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937.
 - iii. If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.
 - iv. For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement;
 - v. If the owner has engaged in drug trafficking.
4. Final HAP payment to owner

The HAP payment stops when the lease terminates. The owner may keep the payment for the month in which the family moves out. If the owner has begun eviction proceedings and the family continues to occupy the unit, the Housing Authority will continue to make payments until the owner obtains a judgment or the family moves out.

17.0 CHARGES AGAINST THE SECTION 8 ADMINISTRATIVE FEE RESERVE

Occasionally, it is necessary for the SEMMCHRA to spend money of its Section 8 Administrative Fee Reserve to meet unseen or extraordinary expenditures or for its other housing related purposes consistent with State law.

The SEMMCHRA Board of Commissioners authorizes the Executive Director to expend without prior Board approval up to \$ 0 for authorized expenditures.

Any item(s) exceeding \$ 0 will require prior Board of Commissioner approval before any charge is made against the Section 8 Administrative Fee Reserve.

18.0 INTELLECTUAL PROPERTY RIGHTS

No program receipts may be used to indemnify contractors or subcontractors of the SEMMCHRA against costs associated with any judgment of infringement of intellectual property rights.

19.0 SEMMCHRA OWNED HOUSING

Units owned by the SEMMCHRA and not receiving subsidy under any other program are eligible housing units for Housing Choice Voucher holders. In order to comply with federal regulation, the SEMMCHRA will do the following:

- A. The SEMMCHRA will make available through the briefing process both orally and in writing the availability of SEMMCHRA owned units (notification will also include other properties owned/managed by the private sector available to Housing Choice Voucher holders).
- B. The SEMMCHRA will obtain the services of an independent entity to perform the following SEMMCHRA functions:
 - 1. Determine rent reasonableness for the unit. The independent entity will communicate the rent reasonableness determination to the family and the SEMMCHRA.
 - 2. To assist the family in negotiating the rent.
 - 3. To inspect the unit for compliance with HQS.
- C. The SEMMCHRA will gain HUD approval for the independent agency/agencies utilized to perform the above functions
- D. The SEMMCHRA will compensate the independent agency/agencies from our ongoing administrative fee income.
- E. The SEMMCHRA, or the independent agency/agencies will not charge the family any fee or charge for the services provided by the independent agency.

20.0 QUALITY CONTROL OF SECTION 8 PROGRAM

In order to maintain the appropriate quality standards for the Section 8 Program, the Housing Authority will annually review files and records to determine if the work documented in the files or records conforms to program requirements. A supervisor or another qualified person other than the one originally responsible for the work or someone subordinate to that person shall accomplish this. The number of files and/or records checked shall be at least equal to the number specified in the Section 8 Management Assessment Program for our size housing authority.

21.0 SPECIAL HOUSING TYPES

Each of the special housing types described below is targeted to households with particular needs. The program housing quality standards (HQS) generally apply to all units, but each special type of housing has additional unique HQS standards. The payment standard used for each special housing type, and any non-standard requirements for determining the utility allowance, calculating the HAP payment, or determining the reasonableness of the rent, are included in the program descriptions.

Single Room Occupancy Facilities

Description

A single Room occupancy (SRO) unit provides living and sleeping space for the exclusive use of the occupant, but requires the occupant to share sanitary and/or food preparation facilities. There is no federal limitation on the number of SRO units in an SRO facility.

Occupancy

More than one person may not occupy an SRO unit. Program regulations do not place any limit on the number of units in an SRO facility, although the size of a facility may be limited by local laws.

HQS

Federal regulations for SRO units include special provisions for access and fire safety as follows;

- **Access:** Access doors to the SRO unit must have working locks for privacy. The occupant must be able to access the unit without going through any other unit. Each unit must have immediate access to two or more approved means of exit from the building, appropriately marked and leading to safe and open space at ground level. The SRO unit must also have any other means of exit required by State or local law.
- **Fire Safety:** All SRO facilities must have a sprinkler system that protects major spaces. “Major spaces” are defined as hallways, common areas, and any other areas specified in local fire, building, or safety codes. SROs must also have hard-wired smoke detectors, and any other fire and safety equipment required by state or local law.

In addition, sanitary facilities and space and security features must meet local code standards for SRO housing. In the absence of local code standards the following requirements apply:

- **Sanitary Facilities:** At least one flushable toilet that can be used in privacy, a lavatory basin, and a bathtub or shower in proper operating condition must be provided for each six persons (or fewer) residing in the SRO facility. If the SRO units are leased only to men, flush urinals may be substituted for up to one half of the required number of toilets. Sanitary facilities must be reasonably accessible from a common hall or

passageway, and may not be located more than one floor above or below the SR0 unit. They may not be located below grade unless the SR0 units are located on that level.

- **Space and Security:** An SR0 unit must contain at least 110 square feet of floor space, and at least four square feet of closet space with an unobstructed height of at least five feet, for use by the occupant. If the closet space is less than four square feet, the habitable floor space in the SR0 unit must be increased by the amount of the deficiency. Exterior doors and windows accessible from outside the SR0 unit must be lockable.

The housing quality standards applicable to lead-based paint do not apply.

Payment Standard and HAP Calculation

The payment standard for SR0 housing is 75% of the 0-bedroom payment standard amount on the HRA payment standard schedule.

The HAP for an assisted occupant in an SR0 facility is the lower of the SR0 payment standard amount minus the TTP or the gross rent for the unit minus the TTP. The utility allowance for an SR0 unit is 75% of the 0-bedroom utility allowance.

Congregate Housing

Description

Congregate housing is intended for use by elderly persons or persons with disabilities. It contains a shared central kitchen and dining area and a private living area for the individual household of at least a living room, bedroom and bathroom. Food service for residents must be provided.

Occupancy

Elderly persons or persons with disabilities may live in congregate facilities. With HRA approval a live-in aide may live in the congregate unit with a person with disabilities or an elderly person. The HRA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

HQS

Housing quality standards for the housing choice voucher program apply to congregate housing, with the exception of the following alternate requirements:

Food Preparation and Refuse Disposal

Congregate housing requires:

- A refrigerator of appropriate size in the private living area of each resident;

- Central kitchen and dining facilities located within the premises and accessible to the residents; and
- Food service for the residents that is not provided by the residents themselves.
- The housing quality standards applicable to lead-based paint do not apply.

Payment Standard and HAP Calculation

The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area. If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), the payment standard for a 0-bedroom unit is used. If the unit has two or more rooms (other than the bathroom and the kitchen), the HRA should use the 1 bedroom payment standard.

The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP.

Housing choice voucher program assistance should be calculated on the shelter portion (including utilities) of the resident's monthly housing expense only. The residents' costs for food service should not be included in the rent for a congregate housing unit.

Group Homes

Description

A group home is a state-licensed facility intended for occupancy by elderly persons and/or persons with disabilities. The group home consists of residents' bedrooms, which can be shared by no more than two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents. No more than 12 persons may reside in a group home. This includes assisted and unassisted residents, and any live-in aides.

Occupancy

Elderly persons or person with disabilities may live in-group homes. If approved by the HRA, a live-in aide may live in the group home with a person with disabilities. The HRA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly person or persons with disabilities.

Persons living in a group home must not require continual medical or nursing care.

HQS

In addition to the generally applicable housing choice voucher program HQS, group homes require the following:

- **Sanitary Facilities:** Group homes must have at least one bathroom in the unit, with a flushable toilet that can be used in privacy, a fixed basin with hot and cold running water, and a shower or bathtub with hot and cold running water. A group home may contain private or common bathrooms. However, no more than four residents can be required to share a bathroom.
- **Food Preparation and Service:** Group home units must contain a kitchen and dining area with adequate space to store, prepare, and serve food. The facilities for food preparation and service may be private or may be shared by the residents. The kitchen must contain a range, an oven, a refrigerator, and a sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.
- **Space and Security:** Group homes must contain at least one bedroom of appropriate size for every two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational or community space that may be shared with other residents.
- **Structure and Material:** To avoid any threat to the health and safety of the residents, group homes must be structurally sound. Elevators must be in good condition. Group homes must be accessible to and usable by residents with disabilities.
- **Site and Neighborhood:** Group homes must be located in a residential setting. The site and neighborhood should be reasonably free from hazards to the health, safety, and general welfare of the residents, and should not be subject to serious adverse conditions, such as
 - Dangerous walks or steps
 - Instability
 - Flooding, poor drainage
 - Septic tank back-ups
 - Sewage hazards
 - Mud slides
 - Abnormal air pollution
 - Smoke or dust
 - Excessive noise
 - Vibrations or vehicular traffic
 - Excessive accumulations of trash
 - Vermin or rodent infestation, and
 - Fire hazards.

The housing quality standards applicable to lead-based paint do not apply.

Payment Standard and HAP Calculation

Unless there is a live-in aide, the family unit size for an assisted occupant of a group home is 0 or 1-bedroom, depending on the HRA subsidy standard. If there is a live-in aide, the aide must be counted in determining the household's unit size.

The payment standard used to calculate the HAP is the lower of the payment standard for the family unit size or the pro-rata share of the payment standard for the group home size. The pro-rata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home.

The HAP for an assisted occupant in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP. The utility allowance for an assisted occupant in a group home is the pro-rata share of the utility allowance for the group home.

The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness. The rent for an assisted person must not exceed the pro-rata portion of the reasonable rent for the group home. In determining reasonable rent, the PHA should consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

SHARED HOUSING

Description

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

Occupancy

An assisted family may share a unit with other persons assisted under the housing choice voucher program, or with other unassisted persons. The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family. If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities.

HQS

HQS for the housing choice voucher program apply, with the following exceptions:

Facilities Available for the Family: Facilities available to the assisted family, whether shared or private, must include a living room, a bathroom, and food preparation and refuse disposal facilities.

Space and Security: The entire unit must provide adequate space and security for all assisted and unassisted residents. The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family must

not be less than the family unit size. A 0-bedroom or 1-bedroom unit may not be used for shared housing.

Payment Standard and HAP Calculation

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size or the pro-rata share of the payment standard for the shared housing unit size. The pro-rata share is calculated by dividing the total number of bedrooms in the unit.

The HAP for a family in shared housing is the lower of the TTP minus the payment standard or the TTP minus the gross rent. The utility allowance for an assisted family living in shared housing is the pro-rata share of the utility allowance for the shared housing unit.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the pro-rata portion of the reasonable rent for the shared unit. In determining reasonable rent, the PHA should consider whether sanitary food preparation areas are private or shared.

CO-OPERATIVE HOUSING

Description

Co-operative housing is owned by a nonprofit corporation or association, 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.

Occupancy

There are no program restrictions on who may occupy a co-operative housing unit.

HQS

All housing choice voucher program HQS apply to co-operative housing units. There are no additional HQS requirements.

Payment Standard and HAP Calculation

The payment standard for a co-operative housing unit is the payment standard for units of the same bedroom size on the PHAs payment standard schedule.

The HAP for a co-operative housing unit is the lower of the payment standard minus the TTP or the monthly carrying charge for the unit, plus any utility allowance, minus the TTP. The monthly carrying charge includes the member's share of the co-operative debt service, operating expenses, and necessary payments to cooperative reserve funds. The carrying charge does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

The rent for a co-operative housing unit must be reasonable based on rents for comparable unassisted units.

MANUFACTURED HOMES

Description

A manufactured home is a manufactured structure, transportable in one or more parts, that is build on a permanent chassis, is designed for use as a principal place of residence, and meets housing choice voucher program HQS. Program provisions for the leasing of manufactured homes apply when the family leases the manufactured home unit and the manufactured home space.

Occupancy

There are no program restrictions on who may occupy a manufactured home. The PHA must allow a family to lease a manufactured home and space with assistance under the program. The PHA may provide assistance to a family that owns the manufactured home and leases only the space. However, the PHA is not required to provide such assistance.

HQS

The manufactured home must meet all HQS performance requirements and acceptability criteria. In addition, the following requirements apply:

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

Payment Standard and HAP Calculation

The payment standard for a manufactured housing unit and space is the payment standard for units of the same size on the HRA payment standard schedule.

The HAP for a manufactured home is the lower of the payment standard minus the TTP . The rent paid to the owner includes the rent for the unit, for the manufactured home space, and maintenance, services, and utilities that the owner provides under the lease.

The PHA must determine that the rent paid to the owner for a manufactured home is reasonable based on rents for comparable unassisted units.

MANUFACTURED HOME SPACE RENTAL

Description

A PHA may provide rental assistance to a family that owns its own manufactured home and leases only the manufactured home space. For families leasing the manufactured home space under the housing choice voucher program, the rent to the owner include payment for maintenance and services that owner provides under the lease for the space. The rent to the owner does not include the cost of utilities and trash collection, but if these are provided by the owner, the owner may charge the family a separate fee. Otherwise, the tenant receives a utility allowance for any tenant-paid utilities.

Occupancy

Although HRAs are not required to provide assistance to families who own their manufactured home and lease the home space, there are no program restrictions as to who may receive assistance for the rental of a manufactured home space.

In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.

HQS

The manufactured home and space must meet all HQS performance requirements and acceptability criteria. In addition, the following requirements apply:

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

Payment Standard and HAP Calculation

The FMR for a manufactured home space is generally 40 percent of the published FMR for a 2 bedroom unit or, where approved by HUD, the 40th percentile of the rental distribution of manufactured home spaces for the FMR area. The PHA may establish a payment standard for manufactured home spaces that is between 90-110 percent of the FMR for manufactured home spaces.

The PHA must establish utility allowances for manufactured home space rental. For the first 12 months of the initial lease term only, the allowance must include an amount for a utility hook-up charge if the family actually incurred a hook-up charge because of a move. This allowance will not be given to a family that leases in place. Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.

The HAP for a manufactured home space under the housing choice voucher program is the lower of the payment standard minus the TTP or the (gross) manufactured home space rent minus the TTP. The space rent is the sum of the rent to the owner for the manufactured home space, any charges for maintenance and management provided by the owner, and the utility allowance for tenant-paid utilities.

Initially, and annually thereafter the PHA must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. The PHA must consider the location and

size of the space, and any services and maintenance to be provided by the owner. By accepting the monthly HAP check, the owner certifies that the rent, does not exceed rents charged by the owner for comparable unassisted spaces in the manufactured home park or elsewhere.

22.0 PROGRAM INTEGRITY

HRA maintain their credibility with applicant and participant families, owner, HUD, and the larger community by enforcing program requirements. When families, owners, or HRA employees fail to adhere to program requirements, the HRA must take appropriate action. The action that is appropriate depends on the particular case of circumstances.

HRA should address program errors, omissions, fraud, or abuse through both prevention and detection. Preventive measures are the most effective way to deter widespread program irregularities. This chapter first discusses the important differences between program errors and omissions and fraud and abuse. It also identifies various ways HRA can prevent and detect errors and abuses, and discusses corrective action methods.

Distinguishing Between Errors Or Omissions And Fraud And Abuse

This chapter uses the terms “error” and “omission” to identify situations in which a family or owner does not comply with program requirements or staff members incorrectly apply program rules. An error or omission may be intentional or unintentional. Some will affect family payment and subsidy amounts; other will not. It is important that HRA carefully analyze the unique circumstances of the case to determine how to best handle the situation. Errors or omissions that affect the family’s payment, subsidy amount or the regular flow of housing assistance payments should be a high priority.

“Fraud” and “abuse” mean a single act or pattern of actions made with the intent to , constituting a false statement, omission, or concealment of a substantive fact. Fraud and abuse result in the payment of housing choice voucher program funds in violation of program requirements. It often occurs when families or owners intentionally fail to report required information or report incorrect information to obtain benefits to which they are not entitled. Fraud is a legal term that involves taking legal action to pursue a remedy of the situation, such as terminating program assistance.

It is important that HRA staff recognize the differences between unintentional and . Particularly in cases of intentional misreporting, HRA staff must be able to evaluate the special circumstances and seriousness of the case to determine whether it is a case of fraud. HRA must also establish policies and procedures for fair and consistent treatment of cases of intentional misreporting, abuse, and fraud. A policy that clearly defines circumstances under which a family or owner would be terminated from the program, but also allows the HRA to consider mitigating circumstances before terminating, is best.

ERRORS AND OMISSIONS VS. FRAUD AND ABUSE

Errors/Omissions	Fraud/Abuse
By the Family	
<ul style="list-style-type: none"> • Failure to report required information due to lack of understanding, such as omitting a particular asset or failing to report a source of income. • Incorrect reporting, such as reporting the income source but incorrectly stating the 	<ul style="list-style-type: none"> • Intentionally misrepresenting income, assets, and allowances. • Intentionally misrepresenting family composition. • Initiating and participating in bribes or other illegal activities.

<ul style="list-style-type: none"> amount of income. Failure to report changes as required, such as failure to notify the HRA of a change in family composition or income. 	
By the Owner	
<ul style="list-style-type: none"> Collecting housing assistance payments for an unoccupied unit, when the owner is not aware that the assisted family has vacated. Errors in specifying responsibilities for utility payments. 	<ul style="list-style-type: none"> Collecting extra or “side” payments in excess of the family share of rent or requiring the family to perform extraordinary services in lieu of payments Charging families for utilities that are the owner’s responsibility. Collecting housing assistance payment for units not occupied by program participants. Bribing HRA employees to certify a substandard unit as passing HQS. Other HQS violations involving misrepresentation and deceit.
By the HRA	
<ul style="list-style-type: none"> Unintentionally miscalculating subsidy/rent. Unintentionally determining eligible families as ineligible and vice versa. Unintentionally approving rents that are not reasonable. Misinterpreting documentation or information provided by a third party. Forgetting to inform the participant of a reporting requirement or to collect all required information during an interview. Unknowingly failing to apply program rules and procedures properly. Late processing. 	<ul style="list-style-type: none"> Willful passing of units meeting HQS and/or local standards. Accepting kickbacks from owners, managers, or families to permit participation or to allow rent in excess of the rent reasonableness limitation. Intentionally calculating total tenant payment or housing assistance payment incorrectly. Intentionally making incorrect determinations of family eligibility, including certifying as eligible otherwise ineligible applicants, coaching applicants to falsify documents, or changing an applicant’s position on the waiting list.

PREVENTING AND DETECTING ERRORS, OMISSIONS, FRAUD, AND ABUSE

HRA are ultimately responsible for ensuring that the right people receive the right amount of subsidy, and they must maintain a high degree of accuracy in administering the housing choice voucher program. Nonetheless, errors, omissions, fraud, and abuse will occur, and HRA must have preventive measures in place so that any irregularity can be quickly detected and resolved as efficiently, professionally, and fairly as possible. Because preventive measures are the most effective way to deter widespread program irregularities, they should be an integral part of daily operations.

When determining which techniques to use to prevent and/or detect errors, HRA should take into account the cost-effectiveness of the approach, specifically, whether the cost to implement the prevention/detection technique will be offset by the savings to be realized. “Savings” might include actual dollar amounts recovered (either for the HRA or on behalf of the family or owner), an estimate of erroneous payments saved, or any benefits realized in program efficiency, effectiveness, and integrity. A second consideration is whether the technique allows for the identification of errors before or after the HRA makes housing assistance payments to the owner. Errors in favor of the family or owner that go

undetected present an added hardship for families and owners who may have limited means to make repayments. They also translate into increased collection costs and losses for the HRA. Detecting an error, omission, fraud or abuse later in the process is always more costly.

Eleven techniques or approaches to preventing and detecting errors, omissions, fraud, below.

Verification by HRA Staff

HRA must independently verify all factors affecting a family's eligibility and payment including:

- Preference status;
- Citizenship status (special verification requirements);
- Annual income;
- Value of assets;
- Expenses related to allowances; and
- Other factors that affect the determination of adjusted income, such as full-time student status.

Three methods of verifications are acceptable if the file is properly documented. The , which should always be pursued to the utmost extent, is third party verification from a reliable source. Third party verification should be either written or oral. Written verification should not be hand carried by the family. If several attempts have been made and third party verification is not possible, the HRA may relay on review of documents but must document the file to record why third party verification has not been obtained. When reviewing documents is not possible, the HRA may require that the family sign a certification or notarized statement. For more information regarding verification requirements, see Chapter 5.

Establish Quality Control Procedures

Elements of a Good Quality Control System

A good quality control system will ensure that staff's daily decisions about tenant eligibility, tenant rent, rent reasonableness, housing assistance payments, and housing quality conform to program requirements and are based on accurate information. A good quality control system is implemented regularly. Depending upon the size of the program, general program performance, and staff capabilities and experience, quality control may occur quarterly, monthly or on a more frequent basis.

Information obtained during quality control reviews should not only help identify individual errors or omissions, but it should also be collected on an aggregate basis so that the HRA can determine error rates by category and the extent and causes of errors. This level of detail allows the HRA to initiate actions necessary to prevent the recurrence of problems identified.

A good quality control system also contains procedures for taking corrective action on errors or omissions identified. For example, the staff member responsible for making the error should always be responsible for correcting the error. Staff should be provided with deadlines for correcting the errors and corrections should be reviewed for accuracy and thoroughness.

When overall error rates exceed the acceptable level, management must determine the cause of the errors and identify whether changes in operating policies and procedures need to be made to resolve the problem.

Quality control may take many different forms. Quality control may be in the form of manual and automated, that are typically built into a HRA program management system. For example, some HRA require that a supervisor review all new admissions and Re-certification transactions prior to final data entry into the HRA computer system. Other HRA only review the work of new employees. Quality control also occurs when managers generate and analyze standardized reports that enable them to check for internal consistency, completeness of processing, and accuracy of calculations. Another form of quality control is a thorough review of a sample of files representing different transaction types. This review occurs after staff members finish processing the file (e.g. after completion of a Re-certification.)

Quality control should include a review of the following functional areas to detect and prevent recurring errors, omissions, fraud or abuse:

- Admissions and occupancy functions: The objective of the review is to determine that the file is complete; meaning that all information, particularly income, assets, and allowances, have been properly verified; unit size is appropriate; and the subsidy, rent, and utility allowance/reimbursement calculations are correct. The review should determine if the information in the file is consistent with the family information reported in MTCS. If any of the file entries are incomplete, unverifiable, or incorrect, the quality control supervisor should record the specific error, preferably by using a standard file review form. The standardized form can then be compiled and tabulated to summarize the results of all tenant file reviews.
- Rent reasonableness function: The objective of the review is to determine whether the rent approved by the HRA was determined to be reasonable in accordance with HUD regulations and HRA rent reasonableness procedures. This review protects against owner receiving more rent than they would if they rented their units in the private rental market. The reviewer should determine that each file documents that all steps in the rent reasonableness procedure have been completed and that the data provided supports the conclusions drawn.
- Housing Assistance Payments processing function: The objective of this review is to first determine whether the housing assistance payment to the owner is correct, based on the payment standard and family contribution. Second, this review ensures that the payment being made to the owner matches the amount shown on the HRA HAP register. Third, it also confirms that any change in rent resulting from a Re-certification or interim change is properly reflected in the HAP to owner. Fourth, it protects against payment being made on a HAP contract that has been terminated. Finally, this review protects against payments for a unit that has failed HQS and where the owner has yet to correct the deficiency.
- Inspection functions: The objective of this review is to examine the quality of the original HRA inspector's work and the accuracy of the inspector's determination regarding whether or not the unit

complied with HQS and/or local housing code. This review prevents owners from receiving program subsidy under the program for substandard units.

23.0 HUD REPORTING REQUIREMENTS

Multifamily Tenant Characteristics System (MTCS) Reporting

The MTCS is the Department's automated system for recording demographic information about assisted families and data about the units they occupy. HUD uses MTCS data to monitor and assess each HRA performance. It will be used to score five indicators in SEMAP and also provides documentation for budget reviews and funding decisions.

HUD's Tenant Eligibility Verification System (TEVS), matches program participant income from MTCS with information from the Social Security Administration (SSA) and the Internal Revenue Service (IRS) to identify possible fraudulent reporting.

HRAs must submit the data required on the Family Report form HUD-50058 to HUD electronically. HRA's with 100 units or more are required to submit data to MTCS at least once a month. Prompt and complete reporting is essential. The minimum acceptable reporting rate is 85%.

24.0 FAMILY SELF-SUFFICIENCY

The Family Self-Sufficiency (FSS) program is intended to promote the development of local strategies for coordinating the use of housing choice vouchers with public and private resources to help eligible families achieve economic independence. The program is open to families participating in the housing choice voucher program who are unemployed or underemployed. The objective of the program is to assist these families in obtaining employment that will allow them to become self-sufficient, that is, not dependent on welfare assistance.

When the family meets its goals and completes its FSS contract, the family becomes eligible to receive funds deposited in an escrow account on its behalf throughout the family's participation in the FSS program. The amount credited to the family's escrow account is based on increases in the family's earned income during the term of the FSS contract.

Participation in the FSS program is voluntary for families and is open to current housing choice voucher program participants.

25.0 UTILIZATION

HUD has a responsibility to Congress to ensure that the funds authorized for housing assistance are used to assist the maximum number of families.

Measuring Utilization

Utilization is measured at the end of the fiscal year (12/31). The percent of the contracted units that were leased during the fiscal year and the percent of the contracted funds spent during the year are both measured.

The percent of units leased is calculated by dividing the number of “unit months under lease” reported in the HRA’s year-end statement by 12 months and comparing the answer to the number of baseline units that had been under the ACC for 12 months or more at the year end.

HUD expects a high performing HRA to maintain an average utilization rate at or above 98 percent.

GLOSSARY

1937 Housing Act: The United States Housing Act of 1937 [42 U.S.C. 1437 et seq.]

Absorption: In portability, the point at which a receiving housing authority stops billing the initial housing authority for assistance on behalf of a portable family. [24 CFR 982.4]

Adjusted Annual Income: The amount of household income, after deductions for specified allowances, on which tenant rent is based.

Administrative fee: Fee paid by HUD to the housing authority for the administration of the program.

Administrative Plan: The plan that describes housing authority policies for the administration of the tenant-based programs.

Admission: The point when the family becomes a participant in the program. In a tenant-based 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).

Adult: A household member who is 18 years or older or who is the head of the household, or spouse, or co-head.

Allowances: Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, and medical expenses for elderly families, disability expenses, and childcare expenses for children under 13 years of age. Other allowance can be given at the discretion of the housing authority.

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 housing authority under which HUD agrees to provide funding for a program under the 1937 Act, and the housing authority agrees to comply with HUD requirements for the program.

Annual Income: All amounts, monetary or not, that:

- a. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
- b. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- c. Are not specifically excluded from Annual Income.

- d. Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access.

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

Assets see net family assets.

Asset Income: Income received from assets held by household members. If assets total more than \$5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income.

Assisted lease (lease): A written agreement between an owner and a family for the leasing of a dwelling unit to the family. 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 housing authority.

Certification: The examination of a household's income, expenses, and family composition to determine the household's eligibility for program participation and to calculate the household's rent for the following 12 months.

Child: For purposes of citizenship regulations, 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 childcare. In the case of childcare 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.

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

Congregate housing: Housing for elderly or persons with disabilities that meets the HQS for congregate housing.

Consent form: Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participant to determine eligibility or level of benefits.

Contiguous MSA: In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial housing authority is located.

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

Cooperative Housing owned by a non -profit 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.

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

Decent, safe, and sanitary: Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

Department: The Department of Housing and Urban Development.

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, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person: See "person with disabilities."

Displaced family: A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), 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.

Displaced person: A person displaced by governmental action (such as urban renewal), 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.

Drug related criminal activity : Illegal use or personal use of a controlled substance, and the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use, of a controlled substance.

Drug trafficking: The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance.

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

Elderly person: A person who is at least 62 years of age.

Evidence of citizenship or eligible status: The documents that must be submitted to evidence citizenship or eligible immigration status.

Exception rent: An amount that exceeds the published fair market rent.

Extremely low-income families: Those families whose incomes do not exceed 30% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families.

Fair Housing Act: Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.).

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. FMRs are published periodically in the Federal Register.

Family includes but is not limited to:

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

Family members: include all household members except live-in aides, foster children and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the HUD-50058.

Family self-sufficiency program (FSS program): The program established by a housing authority 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.

Family unit size: The appropriate number of bedrooms for a family as determined by the housing authority under the housing authority's subsidy standards.

50058 Form: The HUD form that Housing Authority's are required to complete for each assisted household in public housing to record information used in the certification and re-certification process, and, at the option of the housing authority, for interim reexaminations.

FMR/exception rent limit: The Section 8 existing housing fair market rent published by HUD headquarters, or any exception rent. For a tenancy in the Voucher Program, the housing authority may adopt a payment standard up to the FMR/exception rent limit.

Full-time student: A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or Certificate Program, as well as an institution offering a college degree.

Gross rent: The sum of the rent to the owner plus any utilities.

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).

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

Household members: include all individuals who reside or will reside in the unit and who are listed on the lease, including live-in aides, foster children and foster adults.

Housing Assistance Payment (HAP): The monthly assistance by a housing authority, 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 quality standards (HQS): The HUD minimum quality standards for housing assisted under the Section 8 program.

Housing voucher: A document issued by a housing authority to a family selected for admission to the Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Housing voucher holder: A family that has an unexpired housing voucher.

Imputed income: For households with net family assets of more than \$5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used in determining annual income.

Income category: Designates a family's income range. There are three categories: low income, very low income and extremely low-income.

Incremental income: The increased portion of income between the total amount of welfare and earnings of a family member prior to enrollment in a training program and welfare and earnings of the family member after

enrollment in the training program. All other amounts, increases and decreases, are treated in the usual manner in determining annual income.

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

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 initial lease term.

Interim (examination): A reexamination of a household's income, expenses, and household status conducted between the annual re-certifications when a change in a household's circumstances warrant such a reexamination.

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

Lease: A written agreement between an owner and 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 housing authority.

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

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

Low-income families: Those families whose incomes do not exceed 80% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families. *[1937Act]*

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.

Manufacture 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.

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.

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

Moderate rehabilitation: Rehabilitation involving a minimum expenditure of \$1000 for a unit, including its prorated share of work to be accomplished on common areas or systems, too:

- a. Upgrade to decent, safe and sanitary condition to comply with the Housing Quality Standards or other standards approved by HUD, from a condition below these standards (improvements being of a modest nature and other than routine maintenance; or
- b. Repair or replace major building systems or components in danger of failure.

Monthly adjusted income: One twelfth of adjusted income.

Monthly income: One twelfth of annual income.

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

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

Net family assets:

- a. 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.
- b. 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.
- c. In determining net family assets, housing authorities 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.

Non-citizen: 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.

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

Owner: Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing.

Participant (participant family): A family that has been admitted to the housing authority's 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 housing authority for the family (first day of initial lease).

Payment standard: In a voucher tenancy, the maximum monthly assistance payment for a family (before deducting the total tenant payment by family contribution). For a voucher tenancy, the housing authority sets a payment standard in the range from 90% to 110% of the current FMR.

Person with disabilities: A person who:

- a. Has a disability as defined in Section 223 of the Social Security Act,

"Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, or

In the case of an individual who attained the age of 55 and is blind and unable by reason of such blindness to engage in substantial, gainful activity requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time."

- b. Is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment that:

- (1) Is expected to be of long-continued and indefinite duration,

- (2) Substantially impedes his or her ability to live independently, and

- (3) Is of such a nature that such ability could be improved by more suitable housing conditions, or

- c. Has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act.

"Severe chronic disability that:

- (1) Is attributable to a mental or physical impairment or combination of mental and physical impairments;

- (2) Is manifested before the person attains age 22;

- (3) Is likely to continue indefinitely;

- (4) Results in substantial functional limitation in three or more of the following areas of major life activity: (1) self care, (2) receptive and responsive language, (3) learning, (4) mobility, (e) self-direction, (6) capacity for independent living, and (7) economic self-sufficiency; and
- (5) Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated."

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

No individual shall be considered to be a person with disabilities for purposes of eligibility solely based on any drug or alcohol dependence.

Portability: Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial housing authority.

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.

Preservation: This program encourages owners of eligible multifamily housing projects to preserve low-income housing affordability and availability while reducing the long-term cost of providing rental assistance. The program offers several approaches to restructuring the debt of properties developed with project-based Section 8 assistance whose HAP contracts are about to expire.

Proration of assistance: The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance.

Public Housing Agency: 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.

Reasonable rent: A rent to owner that is not more than charged: (a) for comparable units in the private unassisted market; and (b) for a comparable unassisted unit in the premises.

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

Re-certification: A reexamination of a household's income, expenses, and family composition to determine the household's rent for the following 12 months.

Remaining member of a tenant family: A member of the family listed on the lease who continues to live in an assisted household after all other family members have left.

Rent to owner: The monthly rent payable to the owner under the lease. Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.

Set up charges: In a manufactured home space rental, charges payable by the family for assembly, 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.

Shelter Allowance: That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

Single person: Someone living alone or intending to live alone who does not qualify as an elderly person, a person with disabilities, a displaced person, or the remaining member of a tenant family.

Single room occupancy housing (SRO): A unit for occupancy by a single eligible individual capable of independent living that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities.

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

Special housing types: Special housing types include: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

State Wage Information Collection Agency (SWICA): The State 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.

Statement of family responsibility: An agreement in the form prescribed by HUD, between the housing authority and a Family to be assisted under the Moderate Rehabilitation Program, stating the obligations and responsibilities of the family.

Subsidy standards: Standards established by a housing authority 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, for such period as determined by the housing authority, from the time when the family submits a request for housing authority approval to lease a unit, until the time when the housing authority approves or denies the request. Also referred to as tolling.

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

Tenant rent: The amount payable monthly by the family as rent to the owner minus any utility allowance.

Third-party (verification): Oral or written confirmation of a household's income, expenses, or household composition provided by a source outside the household, such as an employer, doctor, school official, etc.

Tolling: see suspension.

Total tenant payment (TTP):

(1) Total tenant payment is the amount calculated under Section 3(a)(1) of the 1937 Act. Which is the higher of:

30% of the family's monthly-adjusted income;

10% of the family's monthly income;

Minimum rent; or

If the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.

If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under Section 3(a)(1) shall be the amount resulting from one application of the percentage.

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 housing authority 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 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.

Utility reimbursement: The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit.

Verification:

- a. The process of obtaining statements from individuals who can attest to the accuracy of the amounts of income, expenses, or household member status (e.g., employers, public assistance agency staff, doctors).
- b. The three types of verification are:
 - (1) Third-party verification, either written or oral, obtained from employers, public assistance agencies, schools, etc.)

(2) Documentation, such as a copy of a birth certificate or bank statement

(3) Family certification or declaration (only used when third-party or documentation verification is not available)

Very low-income families: Low-income families whose incomes do not exceed 50% of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families. *[1937 Act]*

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

Voucher holder: A family holding a voucher with un-expired searches time.

Waiting list admission: An admission from the housing authority waiting list. *[24 CFR 982.4]*

Welfare assistance. Welfare or other payments to families or individuals, based on need, that are made under programs funded by Federal, State or local governments. *[24 CFR 5.603(d)]*

Welfare rent:In "as -paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

ACRONYMS

ACC	Annual Contributions Contract
CACC	Consolidated Annual Contributions Contract
CFR	Code of Federal Regulations
FMR	Fair Market Rent
FSS	Family Self Sufficiency (program)
HA	Housing Authority
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
INS	(U.S.) Immigration and Naturalization Service
NAHA	(Cranston-Gonzalez) National Affordable Housing Act
NOFA	Notice of Funding Availability
OMB	(U.S.) Office of Management and Budget
PBC	Project-Based Certificate (program)
QHWRA	Quality Housing and Work Responsibility Act of 1998
HRA	Public Housing Agency
TTP	Total Tenant Payment

Public Housing 2004 Utility Survey

2003 Utility Allowances

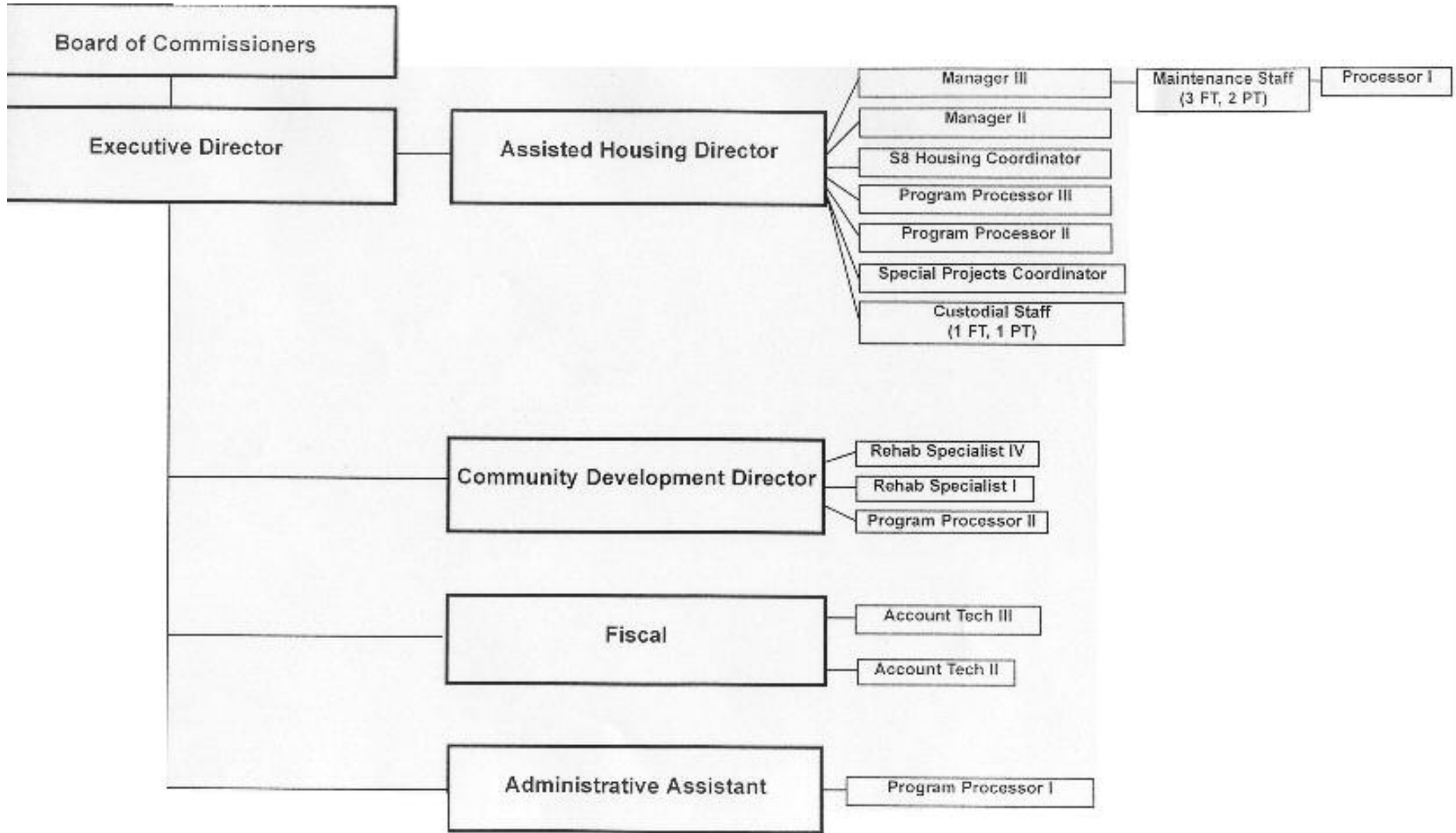
Maple Grove Complex						
Unit Size	Gas	Electric	Water	Sewer	# of Units	Average
1 Bedroom	N/A	\$ 22.94	N/A	N/A	24	\$ 23.00
2 Bedroom	\$ 45.16	\$ 36.70	\$ 9.37	\$ 15.57	8	\$ 107.00
3 Bedroom	\$ 47.67	\$ 44.83	\$ 12.33	\$ 25.71	8	\$ 131.00
Scattered Site						
3 Bdr Duplex	\$ 29.12	\$ 48.66	\$ 28.36	\$ 14.90	16	\$ 121.00
3 Bdr House	\$ 50.55	\$ 71.76	\$ 20.89	\$ 23.30	5	\$ 166.00
4 Bdr House	\$ 41.17	\$ 63.20	\$ 28.45	\$ 12.04	5	\$ 145.00

Changes Proposed for 2004

Utility companies in each of the communities where we have property were contacted. The current rate was compared with 2002 – 2003. Electric, water and trash rates had minimal increases 2 – 7 %. Gas rates increased an average of 35 %, and sewer rates increased an average of 10 – 22 %. Through HUD's new standards, we are only required to change the utility allowance if the average of the utility will increase or decrease by at least 10 %. The adjustments have been made as follows:

Address	# of Units	Bedroom Size	2003 Allowance	Proposed Schedule for 2004
Cannon Falls House	1	4	\$ 145.00	\$ 159.00
Kasson House	1	4	\$ 145.00	\$ 162.00
Kasson Houses	2	3	\$ 166.00	\$ 189.00
Lake City House	1	3	\$ 166.00	\$ 184.00
Mantorville House	1	4	\$ 145.00	\$ 159.00
Pine Island Duplexes	4	3	\$ 121.00	\$ 122.00
Plainview Duplexes	2	3	\$ 121.00	\$ 122.00
Plainview House	1	3	\$ 166.00	\$ 184.00
Wabasha "B" Bldg	24	1	\$ 23.00	\$ 23.00 N/C
Wabasha Duplexes	8	2	\$ 107.00	\$ 124.00
Wabasha Duplexes	8	3	\$ 131.00	\$ 131.00 N/C
Wanamingo Duplexes	2	3	\$ 121.00	\$ 122.00
Zumbrota Duplexes	8	3	\$ 121.00	\$ 122.00
Zumbrota House	1	4	\$ 145.00	\$ 159.00
Zumbrota House	1	3	\$ 166.00	\$ 184.00

SEMMCHRA Organizational Chart January 2003



**30% Income Limits for Voucher Program
Effective 03/01/2004**

mn197f03

Family Size	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
1	13,400	11,800	11,700	11,800	13,000	10,950
2	15,350	13,450	13,350	13,500	14,850	12,550
3	17,250	15,150	15,050	15,150	16,700	14,100
4	19,150	16,850	16,700	16,850	18,550	15,650
5	20,700	18,200	18,050	18,200	20,000	16,900
6	22,250	19,500	19,400	19,550	21,500	18,150
7	23,750	20,850	20,700	20,900	23,000	19,400
8	25,300	22,200	22,050	22,250	24,450	20,650

**50% Income Limits for Voucher Program
Effective 03/01/04**

Family Size	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
1	22,350	19,650	19,500	19,650	21,650	18,250
2	25,550	22,450	22,300	22,500	24,700	20,900
3	28,750	25,250	25,050	25,300	27,800	23,500
4	31,950	28,050	27,850	28,100	30,900	26,100
5	34,500	30,300	30,100	30,350	33,350	28,200
6	37,050	32,550	32,300	32,600	35,850	30,300
7	39,600	34,800	34,550	34,850	38,300	32,350
8	42,150	37,050	36,750	37,100	40,800	34,450

**80% Income Limits for Voucher Program
Effective 03/01/04**

Family Size	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
1	35,800	31,400	31,200	31,450	34,600	29,250
2	40,900	35,900	35,650	35,950	39,550	33,400
3	46,000	40,400	40,100	40,450	44,500	37,600
4	51,100	44,900	44,550	44,950	49,450	41,750
5	55,200	48,450	48,100	48,550	53,400	45,100
6	59,300	52,050	51,700	52,150	57,350	48,450
7	63,400	55,650	55,250	55,750	61,300	51,800
8	67,500	59,250	58,800	59,350	65,250	55,100

**Payment Standards for the Voucher Program
Effective 01/01/04**

Voucher Size	Goodhue	Winona	Wabasha	Houston	Dodge	Fillmore
0	327	330	306	306	283	283
1	421	431	410	414	381	346
2	560	545	519	526	482	460
3	716	681	592	704	603	603
4	864	801	677	812	627	690

Voucher: If the rent and utility allowances combined go over the payment standard you will be responsible to pay the difference.

Monthly Dollar Allowances

UTILITY OR SERVICE	0-BR		1-BR		2-BR		3-BR		4-BR		5-BR	
	S	A	D	T	S	A	D	T	S	A	D	T

HEATING

Natural Gas	41	20	36	41	58	33	55	71	58	38	52	71	65	47	61	104	67	47	76	108	109	53	93	131
Propane	45	21	30	45	70	35	48	70	79	38	58	79	133	51	74	111	145	64	80	121	175	73	100	146
Oil	34	21	26	34	55	34	46	55	68	38	48	68	85	56	69	85	102	66	84	102	117	72	93	117
Electric	51	26	34	51	64	34	36	64	79	41	52	79	108	57	71	108	111	67	86	111	146	75	95	146

COOKING

Natural Gas	5	3	3	5	5	6	3	5	8	8	5	8	8	8	5	8	6	9	5	9	10	9	6	10
Propane	5	5	5	5	7	6	6	6	7	6	6	6	8	7	7	7	10	8	8	8	11	10	10	10
Electric	3	3	3	3	8	8	8	8	9	11	9	9	13	13	13	13	19	15	14	15	17	15	17	17

ELECTRIC LIGHTING

21	11	17	21	35	21	21	32	46	29	30	41	48	35	35	43	78	41	43	54	60	36	50	55
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WATER HEATING

Natural Gas	10	8	9	10	15	9	13	15	18	14	15	18	18	15	18	24	20	22	23	28	30	23	25	30
Propane	10	8	8	10	16	13	13	16	17	15	15	17	23	19	19	23	28	23	23	28	34	28	28	34
Electric	11	10	9	11	16	16	14	16	22	21	17	22	25	22	22	25	27	27	27	27	39	34	33	39

WATER

18	16	18	18	18	12	18	18	18	16	18	18	21	18	21	21	25	18	23	25	25	21	25	25
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SEWER

15	15	26	26	29	29
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TRASH

20	20	20	20	20	20
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STOVE

4	4	4	4	4	4
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REFRIGERATOR

4	4	4	4	4	4
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TOTAL _____

NAME OF FAMILY _____ NUMBER OF BEDROOMS _____

ADDRESS OF UNIT _____

S - Single Family Dwelling D - Duplex A - Apartment T - Trailer