

# NEW ALBANY HOUSING AUTHORITY

## SECTION 8 ADMINISTRATIVE PLAN

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## **SECTION 8 ADMINISTRATIVE PLAN**

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**NAHA is a participant in the Rental Assistance Demonstration**, a program established in 2012 by the Department of Housing and Urban Development that allows for the conversion of public housing assistance to Project Based Vouchers or Project Based Rental Assistance. Any participation by the Authority confers special tenant protections as enumerated in RAD notices and pre-empt rights and notices as listed in this document. Compliance with the provisions of RAD do not in themselves constitute a significant amendment to the PHA Plan or the Admissions and Continued Occupancy Plan.

### **1.0 EQUAL OPPORTUNITY**

#### ***1.1 FAIR HOUSING***

It is the policy of the New Albany Housing Authority 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 New Albany Housing Authority housing programs.

To further its commitment to full compliance with applicable Civil Rights laws, the New Albany Housing Authority 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 issuance of voucher, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made available at the New Albany Housing Authority office. In addition, all written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The New Albany Housing Authority will assist any family that believes they have suffered illegal discrimination by providing them copies of the housing discrimination form. The New Albany Housing Authority 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**

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the New Albany Housing Authority 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 New Albany Housing Authority will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the New Albany Housing Authority will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

## **1.3 COMMUNICATION**

Notifications of reexamination, and applications 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.

## **1.4 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION**

- 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:

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 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 New Albany Housing Authority 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 New Albany Housing Authority will obtain documentation that the requested accommodation is needed due to the disability. The New Albany Housing Authority 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 New Albany Housing Authority's business is housing. If the request would alter the fundamental business that the New Albany Housing Authority conducts, that would not be reasonable. For instance, the New Albany Housing Authority would deny a request to have the New Albany Housing Authority 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 New Albany Housing Authority may request a meeting with the individual to investigate and consider equally effective alternatives.

Generally, the individual knows best what they need; however, the New Albany Housing Authority retains the right to be shown how the requested accommodation enables the individual to access or use the New Albany Housing Authority's programs or services.

If more than one accommodation is equally effective in providing access to the New Albany Housing Authority's programs and services, the New Albany Housing Authority retains the right to select the most efficient or economic choice.

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.

The participant may request an accommodation for a live-in aide. A live-in aide is a person who resides with a person or persons who are elderly, near elderly, and/or have a disability. The live-in aide must be essential to the care and well-being of the person; must not be obligated for support of the person(s); and would not be living in the unit except to provide necessary support services.

NAHA will screen the live-in aide under the same Section 8 Housing Choice Voucher requirements as applicants applying for the Housing choice Voucher program. See the section addressing eligibility requirements.

A household member in the assisted household may not have their status changed to live-in aide. If a household member moves out of the assisted unit this person may not be added back to the household as a live-in aide.

Relatives are not automatically excluded from being a live-in aide. However, the relative must meet the requirements stated above to qualify.

### **1.5 *SERVICES FOR NON-ENGLISH-SPEAKING APPLICANTS AND PARTICIPANTS***

The New Albany Housing Authority will endeavor to have bilingual staff or access to people who speak languages other than English to assist non-English speaking families. The following languages will be covered:

**Spanish**

### **1.6 *FAMILY/OWNER OUTREACH***

The New Albany Housing Authority will publicize the availability and nature of the Section 8 Program for extremely low-income, and very low 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 New Albany Housing Authority will distribute fact sheets to the broadcasting media and initiate personal contacts with members of the news media and community service personnel. The New Albany Housing Authority will also try to utilize public service announcements.

The New Albany Housing Authority 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 New Albany Housing Authority will hold individual and group briefings for owners who participate in or who are seeking information about the Section 8 Program. Owners and managers participating in the Section 8 Program will participate in making this presentation. The briefing is intended to:

- A. Explain how the program works;
- B. Explain how the program benefits owners;

- C. Explain owners' responsibilities under the program. Emphasis is placed on quality screening and ways the New Albany Housing Authority helps owners do better screening; and
- D. Provide an opportunity for owners to ask questions, obtain written materials, and meet New Albany Housing Authority staff.

The New Albany Housing Authority 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 New Albany Housing Authority 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. The Section 8 Administrative Plan
- B. Notice of the status of the waiting list (opened or closed)
- C. Address of all New Albany Housing Authority offices, office hours, telephone numbers, TDD numbers, and hours of operation
- D. Income Limits for Admission
- E. Informal Review and Informal Hearing Procedures
- F. Fair Housing Poster
- G. Equal Opportunity in Employment Poster

**2.0 NEW ALBANY HOUSING AUTHORITY/OWNER RESPONSIBILITY/OBLIGATION OF THE FAMILY**

This Section outlines the responsibilities and obligations of the New Albany Housing Authority, the Section 8 Owners/Landlords, and the participating families.

## **2.1 NEW ALBANY HOUSING AUTHORITY RESPONSIBILITIES**

- A. The New Albany Housing Authority will comply with the consolidated ACC, the application, HUD regulations and other requirements, and the New Albany Housing Authority Section 8 Administrative Plan.
- B. In administering the program, the New Albany Housing Authority 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 biennially 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 New Albany Housing Authority utility allowance;
17. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the New Albany Housing Authority, 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 New Albany Housing Authority decisions concerning applicants for participation in the program;
20. Conduct informal hearings on certain New Albany Housing Authority 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 Tenancy Addendum (form HUD-52641-A).
- 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 New Albany Housing Authority 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.

### **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 New Albany Housing Authority 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 New Albany Housing Authority 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

The family is responsible for any HQS breach caused by the family or its guests.

C. Allowing New Albany Housing Authority Inspection

The family must allow the New Albany Housing Authority to inspect the unit at reasonable times and after at least 2 days notice.

D. Violation of Lease

The family may not commit any serious or repeated violation of the lease. Under 24 CDR 5.2005(c), an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated lease violation by the victim, or threatened victim, of the domestic violence, dating violence, sexual assault, or stalking, or as a good cause to terminate the tenancy, occupancy rights or assistance of the victim.

E. Family Notice of Move or Lease Termination

The family must notify the New Albany Housing Authority 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

The family must promptly give the New Albany Housing Authority 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 New Albany Housing Authority must approve the composition of the assisted family residing in the unit. The family must promptly inform the New Albany Housing Authority of the birth, adoption or court-awarded custody of a child. The family must request approval from the New Albany Housing Authority to add any other 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 – within ten calendar days - the New Albany Housing Authority if any family member no longer resides in the unit.

4. If the New Albany Housing Authority has given approval, a foster child/foster adult or a live-in aide may reside in the unit. The New Albany Housing Authority has the discretion to adopt reasonable policies concerning residence by a foster child/foster adult or a live-in aide and defining when the New Albany Housing Authority 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

The family must supply any information or certification requested by the New Albany Housing Authority to verify that the family is living in the unit, or relating to family absence from the unit, including any New Albany Housing Authority requested information or certification on the purposes of family absences. The family must cooperate with the New Albany Housing Authority for this purpose. The family must promptly notify the New Albany Housing Authority 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 New Albany Housing Authority for absences exceeding 30 days. The New Albany Housing Authority 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.

Authorized absences may include, but are not limited to:

1. Prolonged hospitalization
2. Absences beyond the control of the family (i.e., death in the family, other family member illness)
3. Other absences that are deemed necessary by the New Albany Housing Authority

I. Interest in the Unit

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

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

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

L. Other Housing Assistance

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 New Albany Housing Authority 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, civil union, adoption or affinity that lives together or will live 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 disaster (e.g. flood, fire, earthquake); governmental action (code enforcement, neighborhood redevelopment); housing owner action; avoidance of reprisal; and hate crimes.
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 and income targeting***

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. A very low-income family; for purposes of income targeting 75% of families at new admission must be extremely low income.
    - i. HUD defines an extremely low income (ELI) family as very low-income families whose income does not exceed the higher of 30 percent of the area median income or the federal poverty level.
    - ii. Income targeting is the combination of both the PBV and Tenant based program.
  - b. A low-income family continuously assisted under the 1937 Housing Act;
  - c. A low-income family that meets additional eligibility criteria specified by the Housing Authority;
  - d. A low-income family that is a non-purchasing tenant in a HOPE 1 or HOPE 2 project or a property subject to a resident homeownership program under 24 CFR 248.173;
  - e. 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.
  - f. A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing homeownership) or HOPE 2 (HOPE for homeownership of multifamily units) project.
2. Income limits apply only at admission and are not applicable for continued occupancy; however, as income increases the assistance will decrease.
3. 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 New Albany Housing Authority's 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 New Albany Housing Authority's jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for the New Albany Housing Authority program.
6. Income limit restrictions do not apply to families transferring units within the New Albany Housing Authority Section 8 Program.

C. Citizenship/Eligible Immigrant status

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

Family eligibility for assistance.

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

D. Social Security Number Documentation

Prior to admission, each family member who has a Social Security Number must provide verification of his or her Social Security Number. New family members must provide this verification prior to being added to the household.

The best verification of the Social Security Number is the original Social Security card. If the card is no available, the New Albany Housing Authority will accept social Security that establish and state the number. Documentation from other governmental agencies will also be accepted that establish and state the number. Driver's license, military ID, passports, or other official documents that establish and state the number are also acceptable.

If an individual states that they do not have a Social Security Number they will be required to sign a statement to this effect. The New Albany Housing Authority will not require any individual who does not have a Social Security Number to obtain a Social Security Number. However, at least one member of the family must provide verification of a Social Security Number in order for the family to be eligible to receive assistance. This is applicable to both applicant and participant families.

If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, either the family cannot be assisted, or that family member cannot be included in the household until verification is provided.

When a participant requests to add a new household member, who is at least six years of age or under the age of six and has an assigned SSN, to the family, the participant must disclose the assigned SSN and provide NAHA with the necessary documentation mentioned earlier, or at the time of processing the interim or annual reexamination of family income and/or composition. If the family is unable to provide the required documentation of the SSN, NAHA will not add the new household member until the family provides such documentation.

When a participant requests to add a new household member, who is under the age of six and does not have an assigned SSN, the participant must disclose the assigned SSN and provide NAHA with the documentation referenced earlier within 90 calendar days of the child being added to the household.

If the family is unable to disclose and provide evidence of the SSN within 90 calendar days, NAHA will grant the family an additional 90-day period to comply with the SSN disclosure requirement, if NAHA determine the family was unable to comply with the requirements due to circumstances that could not have reasonable been foreseen and were outside the control of the family. Examples include but are not limited to:

delayed processing of the SSN application by SSA, natural disaster, fire, death in family, etc.

The child is to be included as part of the assisted household and entitled to all the benefits of being a household member during the allotted time for the family to comply with the SSN disclosure and documentation requirements. NAHA will generate an ALT ID through EIV. Upon expiration of the provided time period, if the family has not complied with the SSN disclosure and documentation requirements, NAHA must terminate the family's tenancy or assistance, or both of the entire family.

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 New Albany Housing Authority 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 New Albany Housing Authority to verify with previous or current employer's income information pertinent to the family's eligibility for or level of assistance;
    - c. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and
    - d. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.
- F. Suitability for tenancy. The New Albany Housing Authority determines eligibility for participation and will also conduct criminal background checks on all adult household members, including live-in aides.

The New Albany Housing Authority will check with the State sex offender registration program and will ban for life any individual who is registered as a lifetime sex offender.

Additional screening is the responsibility of the owner. Upon the request of a prospective owner, the New Albany 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, comply with material standard lease terms or any history of drug trafficking.

G. PROJECT-BASED SUITABILITY

The applicant's ability and willingness to comply with the essential lease requirements will be evaluated and documented in accordance with the New Albany Housing Authority's procedure on applicant screening. The screening shall

assess the conduct to determine whether, based on their recent behavior, such behavior could reasonably be expected to result in noncompliance with the lease and project-based addendum to the lease. The New Albany Housing Authority will look at past conduct as an indicator of future conduct. Emphasis will be placed on whether a family's admission could reasonably be expected to have a detrimental effect on the development environment, other tenants, New Albany Housing Authority employees, or other people residing in the immediate vicinity of the property. Otherwise eligible families will be denied admission if they fail to meet the suitability criteria.

The lease and project-based addendum to the lease establishes standards for each resident with respect to the amount of rent and other charges due and timeliness of payment. It also has standards for the conduct that is required in order to maintain a safe and healthy environment, allowing all residents peaceful enjoyment of their home as well as maintaining housekeeping standards stated in the housekeeping inspection. We require the names and addresses of all landlords for the past three years. NAHA will send landlord verification forms to each of these landlords.

#### H. ELIGIBILITY OF STUDENTS FOR SECTION 8 HOUSING

No Section 8 assistance shall be provided per 24 CFR 5.612 to any individual who:

1. Is under 24 years of age;
2. Is enrolled as a student at an institution of higher learning;
3. Is not a veteran of the United States military;
4. Is unmarried;
5. Does not have a dependent child;
6. Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to receive Section 8 assistance.

If the student under the age of 24 who is not a veteran, is unmarried, does not have a dependent child and is applying for Section 8 assistance may otherwise be eligible for Section 8 assistance if the student and the parents (the parents individually and jointly) are both income eligible. If it is determined that the parents are not income eligible, the student is ineligible to receive section 8 assistance.

A student under the age of 24 may be income eligible for Section 8 assistance where the student can demonstrate the absence of, or his or her independence from, parents. These practices and criteria include but are not limited to consideration of all of the following:

1. The individual must be of legal contract age under state law.

2. The individual must have established a household separate from parents or legal guardians for at least one year prior to application for occupancy or meets the U.S. Department of Education’s definition of an independent student:
  - a. Be at least 24 years old by December 31 of the award year for which aid is sought;
  - b. Be an orphan or a ward of the court through the age of 18;
  - c. Be a veteran of the U.S. Armed Forces;
  - d. Have legal dependents other than a spouse (for example, dependent children or an elderly dependent parent);
  - e. Be a graduate or professional student; or
  - f. Be married.
3. The individual must not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations.
4. The individual must obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support. This certification is required even if no assistance will be provided.

NAHA will verify a student’s independence from his or her parents by taking into consideration the following:

1. Reviewing and verify previous address information to determine evidence of a separate household, or verifying the student meets the definition of an “independent student” as noted previously.
2. Reviewing prior year income tax returns to verify if a parent or guardian has claimed the student a dependent.
3. Verifying income provided by a parent by requiring a written certification from the individual providing the support. Certification is also required if the parent is providing no support to the student. Financial assistance that is provided by persons not living in the unit is part of annual income.
  - a. NAHA will accept a declaration and certification of income from parents that includes a penalty of perjury.
  - b. NAHA reserves the right to request and review supporting documentation when it fills the declaration, certification, or eligibility of the parents is in question. Supporting documentation includes but is not limited to: Internal Revenue Services (IRS) tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, TANF award letters, Social Security award letters, other official and authentic documents from a Federal, State or local agency.

This HUD requirement only affects those students applying for Section 8 assistance and those students who are already residing in a Section 8 unit without his or her parents. It does not apply to students residing in a Section 8 assisted

unit with his or her parents or who reside with parents who are applying to receive Section 8 assistance.

For the purposes of determining eligibility of the student under the age of 24 who is not a veteran, is unmarried, does not have a dependent child, any financial assistance (in excess of amounts received for tuition) that an the student receives shall be considered income to that individual. This does not include the student over the age of 23 with dependent children.

1. Financial assistance does not include loan proceeds.
2. The financial assistance of a student residing with his or her parents will continue to be excluded from annual income.

All student applicants for Section 8 assistance must meet all other HUD requirements that determine eligibility for Section 8 assistance.

A student under the age of 24 who is not a veteran, unmarried, does not have a dependent child and who is currently receiving section 8 assistance, if at recertification is determined to be ineligible, will have his or her assistance terminated.

1. For students occupying units at any NAHA project-based section 8 site NAHA cannot and will not evict the student as long as he or she is in compliance with his or her lease.
  - a. As long as the student remains in the unit he or she will not be eligible for section 8 assistance.
  - b. If the student moves from the household the remaining members of the household may again be eligible for section 8 assistance, if available.
    - 1) If the household composition no longer qualifies the household for the unit size, the household may be required to move to an appropriate size unit when one is available, or, with approval may move in another eligible person as a member of the household and remain in the same unit.

Upon notification or denial or termination of assistance, the household is entitled to request an informal hearing to discuss the reasons for the denial or termination. The request for appeal must be in writing and received within ten days of the date of the original notification.

#### **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.

It is the policy of the Housing Authority of the City of New Albany (“NAHA”) to administer its waiting lists (including the closing of waiting lists) in accordance with the regulations promulgated by the Department of Housing and Urban Development (“HUD”).

NAHA will consider any waiting list maintained by NAHA for any unit size or type (including voucher type) if the waiting list has sufficient applications to fill anticipated vacancies for the coming twelve months. Anticipated terminations for the coming twelve months will be determined through review of unit (voucher) turnovers in prior years, as well as a review of current circumstances affecting or expected to affect future vacancies, as well as any other pertinent items. Such a review will be conducted at least annually. If the waiting list for any unit size or type indicates that sufficient applications exist, as detailed above, then NAHA may elect to take any or the following actions: close that waiting list completely, close that waiting list during certain times of the year, and/or restrict intake by preference, type of project, or by size and type of dwelling. This includes the option to close the waiting list only for certain bedroom sizes or voucher types.

A decision to take any of the specific actions detailed above will be made after review and consideration of the number of applications for each size and type of unit/voucher, the preference points of all such applicants, and the ability of NAHA to house those applicants in a timely manner. For purposes of this policy, housing an applicant in a timely manner is deemed to mean within twelve to eighteen months. All decisions to close a waiting list(s), restrict intake, or re-opening a waiting list(s) will be publicly announced.

When a waiting list is closed or intake is restricted, NAHA will not maintain a list of individuals who wish to be notified when the waiting list is re-opened.

After performing the analysis detailed above, NAHA will use its Procedure on Closing the Waitlist to determine the allowable actions that will be taken to close a waitlist or restrict intake. That procedure will provide specific guidance on the appropriate action that will be taken.

Closing of the waiting list will be announced via public notice. This will be done when the waiting list is adequate for available program funding. 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. The New Albany Housing

Authority will not discriminate against any family based on race, color, religion, sex, disability, familial status, or national origin.

#### **4.2 TAKING APPLICATIONS**

Families wishing to apply for the Section Eight Housing Choice Voucher Program will be required to complete an application for housing assistance.

Application packets and preliminary applications are available during regular business hours at 300 Erni Ave, New Albany, Indiana. Or, applications will be mailed to interested families upon request.

If it is anticipated that the Section 8 waiting list is going to exceed three months preliminary applications will be accepted. However, if the waiting list is anticipated to be less than three-months the following paragraphs will apply.

Applicants will make an appointment for the completion of the application. The completed application will be dated and time stamped.

Persons with disabilities who require a reasonable accommodation in completing an application may call the New Albany Housing Authority to make special arrangements to complete their application. A Telecommunication Device for the Deaf (TDDY) is available.

An applicant may at any time report changes in family composition, income, or preference factors. The New Albany Housing Authority will annotate the applicant's file and will update the waiting list. Confirmation of the changes will be made to the family in writing.

When the family nears the top of the waiting list, the New Albany Housing Authority will ensure that verification of preferences, eligibility, and suitability selection factors are current in order to determine the family's final eligibility for admission into the housing assistance program.

#### **4.3 ORGANIZATION OF THE WAITING LIST**

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

- A. The application will be a permanent file;
- B. The waiting list will be maintained in order of preference and then in order of date and time of application;
- C. Any contact between the New Albany Housing Authority and the applicant will be documented in the applicant file.

Note: The waiting list will not be maintained by bedroom size under current HUD regulations.

#### **4.4 FAMILIES NEARING THE TOP OF THE WAITING LIST**

When a family appears to be near offered assistance, 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 New Albany Housing Authority must notify the family in writing of this determination and give the family the opportunity for an informal review.

#### **4.5 MISSED APPOINTMENTS FOR TAKING APPLICATIONS**

Applications will be taken on a walk-in basis unless an applicant requests an appointment time.

#### **4.6 PURGING THE WAITING LIST**

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

#### **4.7 REMOVAL OF APPLICANTS FROM THE WAITING LIST**

The New Albany Housing Authority will not remove an applicant's name from the waiting list unless:

- A. The applicant requests that the name be removed;
- B. 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
- C. The applicant does not meet either the eligibility or screening criteria for the program.
- D. If the applicant misses a scheduled briefing without calling to reschedule the applicant will be sent a notice giving them a week to respond. The notice will include the statement that if the applicant fails to respond to the notice the applicant will be removed from the waiting list.

#### **4.8 GROUNDS FOR DENIAL**

The New Albany Housing Authority will deny assistance to applicants who:

- A. Do not meet any one or more of the eligibility criteria;
- B. Do not supply information or documentation required by the application process including evidence of citizenship or eligible immigration status;
- C. Fail to respond to a written request for information or a request to declare their continued interest in the program;
- D. Fail to complete any aspect of the application or lease-up process or fails to sign consent forms for obtaining information;
- E. Have a history of not meeting financial obligations, i.e. rent and utilities (PBV only);
- F. Do not have the ability to maintain (with assistance) their housing in a decent and safe condition where such habits could adversely affect the health, safety, or welfare of other tenants;
- G. Have a history of disturbing neighbors or destruction of property;
- H. Have a history of criminal activity by any family or 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.
- I. Currently owes rent or other amounts to any housing authority in connection with the public housing or Section 8 Programs or if any member of the family has been evicted from federally assisted housing for serious violation of the lease.
- J. 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;
- K. Have a family member who was evicted or had assistance terminated from a federally assisted housing program within the last three years;
- L. Have a family member who illegally used, or possessed for personal use, a controlled substance, within three years of the date of notice of determination of denial of assistance per 982.553 (b). The NAHA may waive the requirement if:
  - 1. Has an addiction to a controlled substance, has a record of such impairment, or is regarded as having such an impairment; and

2. Is recovering or has recovered from such addiction and does not currently use or possess controlled substances.
  3. The person has otherwise been rehabilitated successfully; or
  4. The person is participating in a supervised drug or alcohol rehabilitation Program.
- M. Were 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 as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802;
- N. Have engaged in or threatened abusive or violent behavior towards any New Albany Housing Authority staff or residents;
- O. Have a family member who has been convicted of manufacturing or producing methamphetamine (speed) on the property of a federally assisted housing program (Denied for life);
- P. Have a family member with a lifetime registration under a State sex offender registration program (Denied for life);
- Q. If the Housing Authority has reason to believe that any household member's abuse or pattern of abuse of alcohol threatens the health, safety or right to peaceful enjoyment of the premises by other residents.
- R. See 3.G Eligibility of Students for Section 8 Housing.

#### **4.9 NOTIFICATION OF NEGATIVE ACTIONS**

When deciding to deny, the New Albany will consider circumstances regarding the family's action or failure to act, including the seriousness of the case and the effects on family members who were not involved in the action or failure to act. Any applicant whose name is being removed from the waiting list will be notified by the New Albany Housing Authority, in writing, that they have ten (10) 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 New Albany Housing Authority's 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 New Albany Housing Authority will provide a reasonable accommodation. If the applicant indicates that they did not respond due to a

disability, the New Albany Housing Authority 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 New Albany Housing Authority determines that an applicant does not meet the criteria for receiving Section 8 assistance, the New Albany Housing Authority will promptly provide the applicant with written notice of the determination. The notice will 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 days of the denial. The New Albany Housing Authority will describe how to obtain the informal review. The informal review process is described in Section 16.2 of this Plan.

### **5.0 *SELECTING FAMILIES FROM THE WAITING LIST***

#### **5.1 *WAITING LIST ADMISSIONS***

The Housing Authority will admit an applicant for participation in one of the following programs from the appropriate waiting list:

- Tenant based Housing Choice Voucher
  - Tenant based Housing Choice Voucher waitlist
  - Project-based Choice Mobility waitlist
- Non-supportive Housing NAHA owned/NAHA-affiliate owned Project-based Housing Choice Voucher
  - Combined Public Housing and Non-supportive Housing NAHA owned/NAHA-affiliate owned project-based Housing Choice Voucher waitlist <sup>a</sup>
  - Mark Elrod Tower Project-Based Voucher waitlist

#### **5.2 *PREFERENCES***

The New Albany Housing Authority will select families based on the following preferences for all waiting lists except the Mark Elrod Tower waiting list.

- A. Elderly/Disabled (6 Points).

- B. Substandard Housing/Homeless/Involuntarily displaced/Domestic Violence (24 points)
- C. Working Families (including Education/Job training programs). (12 points)
- D. Veteran (12 Points)
- E. Floyd County residents (24 points)
- F. Other Indiana residents (8 points)
- G. Relocation (100 points): Awarded to residents currently participating in a NAHA program who are required to relocate for the following reasons:
  - 1) Relocation required by NAHA.
  - 2) Reasonable accommodation where the appropriate unit is not available.
  - 3) Violence Against Women Act
  - 4) Emergency relocation as identified by NAHA.

The New Albany Housing Authority will select families based on the following preferences for the Mark Elrod Tower waiting list.

- A. Elderly (100 Points).
- B. Disabled (6 Points)
- C. Substandard Housing/Homeless/Involuntarily displaced/Domestic Violence (24 points)
- D. Working Families (including Education/Job training programs). (12 points)
- E. Veteran (12 Points)
- F. Floyd County residents (24 points)
- G. Other Indiana residents (8 points)
- H. Relocation (50 points): Awarded to residents currently participating in a NAHA program who are required to relocate for the following reasons:
  - 1) Relocation required by NAHA.
  - 2) Reasonable accommodation where the appropriate unit is not available.
  - 3) Violence Against Women Act
  - 4) Emergency relocation as identified by NAHA.

### 5.3 **SELECTION FROM THE WAITING LIST**

Based on the above preferences, all families will be assigned point values that will aggregate.

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.

Notwithstanding the above, if necessary, to meet the statutory requirement that 75% of newly admitted families in any fiscal year be families who are extremely low-income, the New Albany Housing Authority retains the right to skip higher income families on the waiting list to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

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.

### 6.0 **ASSIGNMENT OF BEDROOM SIZES (OCCUPANCY STANDARDS)**

The New Albany Housing Authority 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

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

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

In the case of single pregnant women, she will be eligible for two bedroom assistance but must meet the income guideline for one person.

Bedroom size will also be determined using the following guidelines:

- A. Children of the same sex **will** share a bedroom.
- B. Children of the opposite sex will be eligible for separate bedrooms
- C. Adults and children will not be required to share a bedroom.
- D. Foster-adults and children will not be required to share a bedroom with family members.
- E. Live-in aides will get a separate bedroom.

The New Albany Housing Authority will grant exceptions to normal occupancy standards when a family with disabled members requests a larger size than the guidelines allow and documents a medical reason why the larger size is necessary.

The family unit size will be determined by the New Albany Housing Authority in accordance with the above guidelines and will determine the maximum rent subsidy for the family; however, the family may select a unit that may be larger or smaller than the family unit size. If the family selects a smaller unit, the payment standard for the smaller size will be used to calculate the subsidy. If the family selects a larger size, the payment standard for the family unit size will determine the maximum subsidy.

For public housing units that convert to Project-based Housing Choice Vouchers through the Rental Assistance Demonstration if the in-place family at the time of conversion is neither under-housed nor over-housed based upon NAHA's Public Housing occupancy standards, then that in-place family will be excluded from these occupancy standards and will continue to follow NAHA's Public Housing occupancy standards in place at the time of conversion. If the in-place family transfers units or receives a tenant-based voucher after conversion, they will then become subject to these occupancy standards.

## **6.1 BRIEFING**

When the New Albany Housing Authority 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.

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.

The briefing will cover at least the following subjects:

- A. A description of how the program works;
- B. Family and owner responsibilities;
- C. Where the family may rent a unit, including inside and outside the Housing Authority's jurisdiction;
- D. Types of eligible housing;
- E. For families qualified to lease a unit outside the Housing Authority's jurisdiction under portability, an explanation of how portability works;
- F. An explanation of the advantages of living in an area that does not have a high concentration of poor families; and
- G. An explanation that the total family contribution share may not exceed 40% of the family's monthly adjusted income toward the gross rent of the unit.

## **6.2 PACKET**

During the briefing, the Housing Authority will give the family a packet covering at least the following subjects:

- A. 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;
- B. How the Housing Authority determines the housing assistance payment and total tenant payment for the family;

- C. Information on the payment standard, exception payment standard rent areas, and the utility allowance schedule;
- D. How the Housing Authority determines the maximum rent for an assisted unit;
- E. 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;
- F. The HUD-required tenancy addendum that provides the language that must be included in any assisted lease, and a sample contract;
- G. The request for approval of the tenancy form and an explanation of how to request Housing Authority approval of a unit;
- H. 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;
- I. The Housing Authority's subsidy standards, including when the Housing Authority will consider granting exceptions to the standards;
- J. The HUD brochure on how to select a unit ("A Good Place to Live");
- K. The HUD-required lead-based paint brochure;
- L. Information on Federal, State, and local equal opportunity laws; the brochure "Fair Housing: Equal Opportunity for All;" and a copy of the housing discrimination complaint form;
- M. A list of landlords or other parties known to the New Albany Housing Authority who may be willing to lease a unit to the family or help the family find a unit;
- N. Notice that if the family includes a person with disabilities, the family may request a current list of accessible units known to the New Albany Housing Authority that may be available;
- O. The family's obligations under the program;

- P. The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction;
- Q. New Albany Housing Authority 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
- R. The New Albany Housing Authority 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 APPROVAL OF TENANCY***

The New Albany Housing Authority issues only Housing Choice Vouchers.

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

When the family finds a unit that the owner is willing to lease under the program, the family and the owner will submit 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. 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.

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.

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, comply with standard material lease terms.

#### **6.4 TERM OF THE VOUCHER**

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

The Housing Authority may grant one or more extensions of the term, but the initial term plus any extensions will never exceed 180 calendar days from the initial date of issuance. To obtain an extension, the family must make a request in prior to the expiration date, **and provide documentation that they have been actively searching for housing.** No more than two 60-day extensions will be granted.

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 180 days search time. If the Housing Authority determines that additional search time would be a reasonable accommodation, or determines other good cause, the Housing Authority can approve additional time as needed.

Upon submittal of a completed request for approval of tenancy form, the New Albany Housing Authority 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. The New Albany Housing Authority will not consider multiple requests for tenancy.

#### **6.5 APPROVAL TO LEASE A UNIT**

The New Albany Housing Authority will approve a lease if all of the following conditions are met:

- A. The unit is eligible;
- B. The unit is inspected by the Housing Authority and passes HQS;
- C. The lease is approvable and includes the language of the tenancy addendum;
- H. The rent to owner is reasonable;
- E. The family contribution toward the gross rent of the unit does not exceed 40% of their monthly adjusted income.
- E. 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
- G. The family continues to meet all eligibility and screening criteria.

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.

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

- A. The unit passes the Housing Authority HQS inspection;
- B. The landlord and tenant sign the approved lease that includes the HUD required addendum; or the HA provided lease
- C. HAP Contract

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.

For any project-based voucher (PBV) developments owned by NAHA or a wholly-owned affiliate of NAHA, the family will be required to sign the lease and PBV addendum to the lease. A copy of NAHA's existing grievance procedure will be attached to the family's copy of the lease.

## **6.6 NEW ALBANY HOUSING AUTHORITY DISAPPROVAL OF OWNER**

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:

- A. The owner has violated any obligations under a Section 8 Housing Assistance Payments Contract;
- B. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;

- C. The owner has engaged in drug-related criminal activity or any violent criminal activity;
- D. 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;
- E. The owner has a history or practice of renting units that fail to meet State or local codes; or
- F. The owner has not paid State or local real estate taxes, fines, or assessments.
- G. 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:
  - 1. premises by tenants, New Albany Housing Authority employees or owner employees; or
  - 2. residences by neighbors;
- H. Other conflicts of interest under Federal, State, or local law.

**6.7 *INELIGIBLE/ELIGIBLE HOUSING***

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

- A. A public housing or Indian housing unit;
- B. A unit receiving project-based assistance under a Section 8 Program;
- C. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
- D. College or other school dormitories;
- E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- F. A unit occupied by its owner or by a person with any interest in the unit;
- G. A unit receiving any duplicative Federal, State, or local housing subsidy.

The New Albany Housing Authority will not approve a lease for any of the following special housing types, except as a reasonable accommodation for a family with disabilities:

- A. Congregate housing
- B. Group homes
- C. Shared housing
- D. Cooperative housing
- E. Single room occupancy housing

The New Albany Housing Authority will approve leases for the following housing types:

- A. Single family dwellings
- B. Apartments
- C. Manufactured housing
- D. Manufactured home space rentals

## **6.8 SECURITY DEPOSIT**

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

When the tenant moves 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.

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

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

## **7.0 MOVES WITH CONTINUED ASSISTANCE**

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 New Albany Housing Authority will issue the family a new voucher if the family does not owe the New Albany Housing Authority 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 New Albany Housing Authority 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.

### **7.1 *WHEN A FAMILY MAY MOVE***

For families already participating in the Housing Choice Voucher Program, the New Albany Housing Authority may allow the family to move to a new unit if:

- A. The assisted lease for the old unit has terminated;
- B. 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, but only if such action does not imply a violation that is subject to termination of assistance, in which case no voucher will be issued; or
- C. The tenant has given written notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner, i.e., it is the end of the initial 12 month term, or subsequent 12 month lease, or month to month following the initial lease term).

### **7.2 *PROCEDURES REGARDING FAMILY MOVES***

Families considering transferring to a new unit will be scheduled for a re-examination and to attend a mover's briefing. All families who are moving, including any families moving into or out of the New Albany Housing Authority's jurisdiction, will be required to attend a mover's briefing prior to the New Albany Housing Authority entering a new HAP contract on their behalf.

This briefing is intended to provide the following:

- A. 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;
- B. Information about finding suitable housing and the advantages of moving to an area that does not have a high concentration of poor families;

- C. Payment standards, exception payment standard rent areas, and the utility allowance schedule;
- D. An explanation that the total family contribution may not exceed 40% of the family's monthly adjusted income toward the gross rent of the unit.
- E. Portability requirements and opportunities;

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 or be less than 30 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 New Albany Housing Authority's approval, it will be considered a serious lease violation and subject the family to termination from the program.

The family is required to give the New Albany Housing Authority 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 New Albany Housing Authority will be considered a violation of Family Obligations and may cause the family to be terminated from the program.

A family who gives notice to terminate the lease must provide written notification to the landlord, via the New Albany Housing Authority,

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

## **8.0 PORTABILITY**

### **8.1 *GENERAL POLICIES OF THE NEW ALBANY HOUSING AUTHORITY***

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

If the head or spouse of the assisted family does not have a legal residence or work in the jurisdiction of the New Albany Housing Authority at the time of its application, the family will not have any right to lease a unit outside of the New Albany Housing Authority 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 New Albany Housing Authority.

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 New Albany Housing Authority allow a participant to improperly break a lease. Under extraordinary circumstances the New Albany Housing Authority may consider allowing more than one move in a 12-month period.

Families may only move to a jurisdiction where a Section 8 Program is being administered.

If a family has moved out of their assisted unit in violation of the lease, the New Albany Housing Authority will not issue a voucher, and will terminate assistance in compliance with Section 17.0, Grounds for Termination of the Lease and Contract. See Chapter 16 paragraph E for protections under the Violence Against Women Act (VAWA).

## **8.2 INCOME ELIGIBILITY**

### **A. New Admission**

A family must be income-eligible in the area where the family first leases a unit with assistance in the Housing Choice 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.**

## **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.**

### **B. 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. Participants must be in compliance with their lease and in good standing with the Housing Choice Voucher program in order to be eligible for portability.**

### **B. When the New Albany Housing Authority is the Initial Housing Authority:**

1. The New Albany Housing Authority 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. The New Albany Housing Authority will determine whether the family is income-eligible in the area where the family wants to lease a unit (if applicable).
3. The New Albany Housing Authority will advise the family how to contact and request assistance from the Receiving Housing Authority.
4. The New Albany Housing Authority will, within ten (10) calendar days, notify by phone, fax, or e-mail the Receiving Housing Authority to expect the family.
5. The New Albany Housing Authority will immediately mail to the Receiving Housing Authority the most recent HUD Form 50058 (Family Report) for the family, form HUD-52665, Housing Choice Voucher, Birth Certificate(s), Social Security Card(s) and other related verification information.

C. When the New Albany Housing Authority is the Receiving Housing Authority:

1. When the portable family requests assistance from the New Albany Housing Authority, the New Albany Housing Authority will within ten (10) calendar days inform the Initial Housing Authority whether it will bill the Initial Housing Authority for assistance on behalf of the portable family, or absorb the family into its own program. When the New Albany Housing Authority receives a portable family, the family will be absorbed if funds are available and a voucher will be issued.
2. The New Albany Housing Authority will issue a voucher to the family. The term of the New Albany Housing Authority's voucher will not expire before the expiration date of any Initial Housing Authority's voucher. The New Albany Housing Authority will determine whether to extend the voucher term. The family must submit a request for tenancy approval to the New Albany Housing Authority during the term of the New Albany Housing Authority's voucher.
3. The New Albany Housing Authority will determine the family unit size for the portable family. The family unit size is determined in accordance with the New Albany Housing Authority's subsidy standards.

4. The New Albany Housing Authority 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.
5. If the New Albany Housing Authority opts to conduct a new reexamination, the New Albany Housing Authority 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.
6. In order to provide tenant-based assistance for portable families, the New Albany Housing Authority will perform all Housing Authority program functions, such as reexaminations of family income and composition. At any time, either the Initial Housing Authority or the New Albany Housing Authority may make a determination to deny or terminate assistance to the family in accordance with 24 CFR 982.552.

D. Absorption by the New Albany Housing Authority

1. If funding is available under the consolidated ACC for the New Albany Housing Authority's Housing Choice Voucher Program when the portable family is received, the New Albany Housing Authority will absorb the family into its Voucher Program. After absorption, the family is assisted with funds available under the consolidated ACC for the New Albany Housing Authority's Tenant-Based Program.

E. 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. As the Initial Housing Authority, the New Albany Housing Authority will promptly 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.

F. 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 New Albany Housing Authority 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 New Albany Housing Authority 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.
  - 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.)
  9. Any financial assistance in excess of amounts received for tuition and any other mandatory fees and charges, that an individual receives under the Higher Education Act of 1965, from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965). However, such financial assistance is not considered annual income for persons over the age of 23 with dependent children. "Financial assistance" does not include loan proceeds.

### **9.3 EXCLUSIONS FROM INCOME**

Annual income does not include the following:

- A. Income from employment of children (including foster children) under the age of 18 years;
- B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

- C. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
- D. Amounts received by the family that is specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- E. Income of a live-in aide;
- F. The full amount of student financial assistance paid directly to the student or to the educational institution, except as described in Section 9.2(B)(9), above;
- G. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- H. The amounts received from the following programs:
  - 1. Amounts received under training programs funded by HUD;
  - 2. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
  - 3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
  - 4. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for 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;
  - 5. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;

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

These exclusions include:

- a. The value of the allotment of food stamps
- b. Payments to volunteers under the Domestic Volunteer Services Act of 1973
- c. Payments received under the Alaska Native Claims Settlement Act
- d. Income from submarginal land of the U.S. that is held in trust for certain Indian tribes
- e. Payments made under HHS's Low-Income Energy Assistance Program
- f. Payments received under the Job Training Partnership Act

- g. Income from the disposition of funds of the Grand River Band of Ottawa Indians
- h. The first \$2000 per capita received from judgment funds awarded for certain Indian claims
- i. Amount of scholarships awarded under Title IV including Work-Study
- j. Payments received under the Older Americans Act of 1965
- k. Payments from Agent Orange Settlement
- l. Payments received under the Maine Indian Claims Act
- m. The value of child care under the Child Care and Development Block Grant Act of 1990
- n. Earned income tax credit refund payments
- o. Payments for living expenses under the AmeriCorps Program

#### **9.4 DEDUCTIONS FROM ANNUAL INCOME**

The following deductions will be made from annual income:

- A. \$480 for each dependent
- B. \$400 for any elderly family or disabled family (\$525 with the implementation of HOTMA).
- C. 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 10% 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.
- D. For any elderly or disabled family:
  - 1. That has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed 3% of annual income;
  - 2. 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;

3. 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.

E. Child care expenses.

### **9.5 EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES**

The following persons will qualify for the HUD income disallowance under CFR 5.617. Previously unemployed persons with disabilities who have earned, in the twelve months previous to employment, no more than would be received for ten hours of work per week for 50 weeks at the established minimum wage. Qualified families whose annual income increases as a result of:

- A. Employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- B. Increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training;
- C. New employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs.

Disallowance of increase in annual income will be applied as follows

- A. Initial twelve month exclusion. During the twelve month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in income attributable to employment, the New Albany Housing Authority must exclude from annual income of a qualified family any increase in income of the employment over prior income of that family member.
- B. Second twelve month exclusion and phase-in. During the second twelve month period after the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the New Albany Housing Authority must exclude from annual income of

a qualified family fifty percent of any increase in income of that family member prior to the beginning of such employment.

- C. The disallowance of increased income of an individual family member who is a person with disabilities as provided above is limited to a lifetime 24 month period.

The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

## **10.0 VERIFICATION**

Per SEMAP requirements the Director of Finance and HUD Compliance will conduct an audit on selected records to determine:

Proper documentation has been obtained for:

- 1) income, assets, and deductions
- 2) correct utility allowance is used
- 3) allowances have been correctly been attributed and calculated

- A. Audits will be conducted randomly throughout the year with a copy of the audit form, any explanations, comments, etc.
- C. The Audit Forms will be kept on file.

### **10.1 ACCEPTABLE METHODS OF VERIFICATION**

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.

The New Albany Housing Authority will attempt to verify income through the upfront income verification method. If not available, 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). It may also be a report generated by a request from the New Albany Housing Authority 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.

If after two attempts, documented by New Albany Housing Authority staff with no luck, NAHA staff will attempt oral third party verification documenting date and time of contact.

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.

When the above documentation cannot be obtained, the New Albany Housing Authority will accept documentation received from the applicant/participant. Hand-carried documentation will be accepted if the New Albany Housing Authority has been unable to obtain third party verification. Photocopies of the documents provided by the family will be maintained in the file.

When neither third party verification nor hand-carried verification can be obtained, the New Albany Housing Authority 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**

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 New Albany Housing Authority will send a request form to the source along with a release form signed by the applicant/participant via first class mail, fax, or e-mail.

Listed below is the verification hierarchy from the highest to lowest level:

- Upfront Income Verification (UIV) using HUD’s Enterprise Income Verification (EIV) system (not available for income verifications of applicants).
- Upfront Income Verification (UIV) using non-HUD system, such as The Work Number.
- Written Third Party Verification. Mandatory to supplement EIV reported income sources and when EIV has no data; mandatory for non-EIV reported income sources, mandatory when tenant disputes EIV reported employment and income information and is unable to provide acceptable documentation to support dispute.
- Written Third Party verification form. Mandatory is written third party verification documents are not available or rejected by NAHA, and when the applicant or tenant is unable to provide acceptable documentation.
- Oral third Party Verification. Mandatory is written third party verification is not available.
- Tenant Declaration. Use as a last resort when unable to obtain any type third party verification.

Verification Requirements for Individual Items		
<b>Item to Be Verified</b>	<b>3<sup>rd</sup> party verification</b>	<b>Hand-carried verification</b>
<b>General Eligibility Items</b>		

Verification Requirements for Individual Items		
Item to Be Verified	3 <sup>rd</sup> party verification	Hand-carried verification
Social Security Number	Letter from Social Security, electronic reports	Social Security card
Citizenship	N/A	Signed certification, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation #	INS card
Disability	Social Security or SSI award letter	NAHA Disability certification form
Full time student status (if >18)	NAHA verification form, current transcriptions, current class schedule	
Need for a live-in aide	Letter medical professional knowledgeable of condition	N/A
Child care costs	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, care givers, etc.	Bills and records of payment
Medical expenses	Letters from providers, prescription record from pharmacy, medical professional's letter stating assistance or a companion animal is needed	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and tolls
<b>Value of and Income from Assets (Verified at new admission. Self-certification allowed for families with total asset values of less than \$5,000 at 2<sup>nd</sup> and 3<sup>rd</sup> annual recerts)</b>		
Savings, checking accounts	Letter from institution	Passbook, most current statements
CDs, bonds, etc	Letter from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	Letter from broker or holding company	Stock or most current statement, price in newspaper or through Internet
Real property	Letter from tax office, assessment, etc.	Property tax statement (for current value), assessment,

Verification Requirements for Individual Items		
Item to Be Verified	3 <sup>rd</sup> party verification	Hand-carried verification
		records or income and expenses, tax return
Cash value of life insurance policies	Letter from insurance company	Current statement
Assets disposed of for less than fair market value	N/A	Original receipt and receipt at disposition, other evidence of worth
<b>Income</b>		
Earned income	Upfront Income Verification (UIV)	Written Third Party, e.g., pay stubs (two current consecutive), payroll summary report, notice of hire or termination
Self-employed	Tax return from prior year	Notarized self-certification
Regular gifts and contributions	Letter from source, letter from organization receiving gift (i.e., if grandmother pays day care provider, the day care provider could so state)	Bank deposits, other similar evidence
Alimony/child support	Court order, child support printout	Record of deposits, divorce decree
Periodic payments (i.e., social security, welfare, pensions, workers' comp, unemployment)	Letter or electronic reports from the source	Award letter, letter announcing change in amount of future payments
Training program participation	Letter from program provider indicating <ul style="list-style-type: none"> <li>- whether enrolled</li> <li>- whether training is HUD-funded</li> <li>- whether State or local program</li> <li>- whether it is employment training</li> <li>- whether payments are for out-of-pocket expenses incurred in order to participate in a program</li> </ul>	N/A

Verification Requirements for Individual Items		
Item to Be Verified	3 <sup>rd</sup> party verification	Hand-carried verification

**10.3 VERIFICATION OF CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS**

The citizenship/ eligible noncitizen status of each family member regardless of age must be determined.

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.)

Prior to being admitted or at the first reexamination, all eligible noncitizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age.

Prior to being admitted, all eligible noncitizens must sign a declaration of their status and a verification consent form and provide their original INS documentation. The New Albany Housing Authority will make a copy of the individual's INS documentation and place the copy in the file. The New Albany Housing Authority also will verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, the New Albany Housing Authority will mail information to the INS so a manual check can be made of INS records.

Family members who do not claim to be citizens, nationals or eligible noncitizens, or whose status cannot be confirmed, must be listed on a statement of non-eligible members and the list must be signed by the head of the household.

Noncitizen students on student visas, though in the country legally, are not eligible to be admitted to the Section 8 Program.

Any family member who does not choose to declare their status must be listed on the statement of non-eligible members.

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

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

If the New Albany Housing Authority determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens 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 VERIFICATION OF SOCIAL SECURITY NUMBERS**

Prior to admission, each family member who has a Social Security Number must provide verification of his or her Social Security Number. New family members must provide this verification prior to being added to the lease.

The best verification of the Social Security Number is the original Social Security card. If the card is not available, the New Albany Housing Authority will accept letters from Social Security that establish and state the number. Documentation from other governmental agencies will also be accepted that establish and state the number. Driver's license, military ID, passports, or other official documents that establish and state the number are also acceptable.

If a member of an applicant family indicates they have a Social Security Number, but cannot readily verify it, either the family cannot be assisted, or that family member cannot be included in the household until verification is provided.

When a participant requests to add a new household member, who is at least six years of age or under the age of six and has an assigned SSN, to the family, the participant must disclose the assigned SSN and provide NAHA with the necessary documentation mentioned earlier, or at the time of processing the interim or annual reexamination of family income and/or composition. If the family is unable to provide the required documentation of the SSN, NAHA will not add the new household member until the family provides such documentation.

When a participant requests to add a new household member, who is under the age of six and does not have an assigned SSN, the participant must disclose the assigned SSN and provide NAHA with the documentation referenced earlier within 90 calendar days of the child being added to the household.

If the family is unable to disclose and provide evidence of the SSN within 90 calendar days, NAHA will grant the family an additional 90-day period to comply with the SSN disclosure requirement, if NAHA determine the family was unable to comply with the requirements due to circumstances that could not have reasonable been foreseen and were outside the control of the family. Examples include but are not limited to: delayed processing of the SSN application by SSA, natural disaster, fire, death in family, etc.

The child is to be included as part of the assisted household and entitled to all the benefits

of being a household member during the allotted time for the family to comply with the SSN disclosure and documentation requirements. NAHA will generate an ALT ID through EIV. Upon expiration of the provided time period, if the family has not complied with the SSN disclosure and documentation requirements, NAHA must terminate the family's tenancy or assistance, or both of the entire family.

#### **10.5 TIMING OF VERIFICATION**

Verification must be dated within 60 days of certification or reexamination. 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.

#### **10.6 FREQUENCY OF OBTAINING VERIFICATION**

For each family member, citizenship/eligible noncitizen 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, verification of Social Security Number will be obtained only once. This verification will be accomplished prior to admission.

### **11.0 RENT AND HOUSING ASSISTANCE PAYMENT**

#### **11.1 GENERAL**

The New Albany Housing Authority issues housing choice vouchers to applicants, movers, and families entering the jurisdiction through portability.

#### **11.2 RENT REASONABLENESS**

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:

- A. Before any increase in rent to owner is approved;
- B. If 60 days before the contract anniversary date there is a 5% decrease in the published FMR as compared to the previous FMR; and
- C. If the Housing Authority or HUD directs that reasonableness be re-determined.

### **11.3 COMPARABILITY**

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.

The Housing Authority will maintain current survey information on rental units in the jurisdiction. The Housing Authority will also obtain from landlord associations and management firms the value of the array of amenities.

The Housing Authority will develop a points system through which to compare gross rents of units.

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.

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.

### **11.4 MAXIMUM SUBSIDY**

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

For the Housing Choice Voucher Program, the maximum payment standard will be 90% to 110%, or the exception payment standard above 120% of the FMR approved by HUD.

For a voucher tenancy in an insured or noninsured 236 project, 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.

### **11.4.1 SETTING THE PAYMENT STANDARD**

HUD requires that the payment standard be set by the Housing Authority at between 90% and 110% of the FMR. The New Albany Housing Authority will review its determination of the payment standard annually after publication of the FMRs. The New Albany Housing Authority 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 are having 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 New Albany Housing Authority may consider adjusting payment standards at times other than the annual review when circumstances warrant.

The New Albany Housing Authority may establish a high payment standard not more than 120% of the FMR where necessary as a reasonable accommodation for a person with a disabilities without approval from HUD. A payment standard may be used above 120% of the FMR for a person with a disability, but only with HUD approval.

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.

### **11.4.2 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 amount for the size of the dwelling unit 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.
- F. If the New Albany Housing Authority lowers its payment standard, the payment standard in effect on the effective date of the HAP contract will remain in effect until the family moves to another unit, has a change in its family size or composition, or until the second annual reexamination after the New Albany Housing Authority decreases its payment standard.
- G. Decreases in the applicable payment standard due to changes in family size or composition are effective as of the next (annual) reexamination following the change. At the time, the new family size will be used to determine the payment standard.

### **11.4.3 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.

## **11.5 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. The welfare rent (if applicable)

### **B. Minimum Rent.**

The New Albany Housing Authority has set the minimum rent as \$ 50.00 However, if the family requests a hardship exemption, the New Albany Housing Authority 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. If the hardship is determined to be temporary, the minimum rent is suspended 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 is reinstated retroactively to the date of the suspension. The New Albany Housing Authority will offer to execute a reasonable repayment agreement to cover the minimum rent changes accumulated during the suspension period.
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 Housing Choice 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. For new admissions and moves the total family contribution toward the gross rent of the unit shall not exceed 40% of the adjusted monthly income.

D. Section 8 Preservation Vouchers

1. Payment Standard
  - a. A family that stays in the same unit and receives enhanced voucher assistance will receive a special payment standard. If the gross rent exceeds the New Albany Housing Authority's payment standard, the payment standard used to calculate the voucher payment is the gross rent of the unit (new rent to owner plus the applicable payment standard).
  - b. Minimum rent will be the gross rent of the unit the tenant was paying at pre-payment.

- c. If the dwelling unit is located in an exception area, the New Albany Housing Authority will use the appropriate payment standard for the exception area.
  - d. 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) 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) 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.
  - e. 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) of this section does not apply; and
    - ii. The new family unit size must be used to determine the payment standard.
2. The New Albany Housing Authority 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.
  3. Those funds received for this project but not utilized are converted to regular Housing Choice Vouchers with normal NAHA and HCV regulations applying instead of those specifically stated in PIH 2000-41 for those families staying at Valley Ridge or moving from Valley Ridge with the preservation voucher.

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 New Albany Housing Authority will grant each family a period of 6 months to find suitable affordable housing. If the family cannot

find suitable affordable housing, the New Albany Housing Authority 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. Determine the gross rent of the unit.
2. Determine HAP, taking into consideration the income of all family members, regardless of their eligibility status.
3. Divide the number of eligible family members (citizens and those with eligible immigration status) by the total number of members in the household.
4. Multiply the HAP calculated in Step 2 by the number calculated in Step 3 to determine the family's eligible subsidy portion.
5. The amount of rent the family will pay will be the gross rent (step 1) less the prorated HAP calculated in Step 4.

G. SHARE VOUCHERS

The New Albany Housing Authority received 20 share vouchers effective 09/01/2000. All Housing Choice Vouchers program regulations apply.

H. DESIGNATED VOUCHERS

The New Albany Housing Authority received 200 Designated Vouchers effective November 1, 2000. These vouchers are specifically designated for non-elderly disabled families.

1. Eligible participants.
  - a. Only non-elderly disabled families that are income eligible under 24 CFR 982.201(b) and who live in public housing that has been designated for occupancy by the elderly, or non-elderly disabled families who are on the PHA's public housing waiting list, may receive a voucher awarded in conjunction with an approved designated housing plan. Such families need not be listed on NAHA's Section 8 waiting list in order to be offered and receive a Section 8 voucher. These families will be admitted to the Section 8 program as a special admission (24 CFR 982.203).

2. Voucher assistance requirements. NAHA will administer the Section 8 vouchers in accordance with HUD regulations and requirements governing the Section 8 Housing Choice Voucher Program, and the New Albany Housing Authority Administrative Plan.
3. Section 8 admission requirements. Section 8 assistance will be provided to eligible applicants in conformity with regulations and requirements governing the Section 8 Housing Choice Voucher Program and those listed in NAHA's administrative plan.
4. When a voucher becomes available for re-issuance, the rental assistance may be used only for another individual or family eligible for assistance under this section subject to appropriations for renewal funding, from the date the rental assistance is placed under the annual contributions contract (ACC).
5. NAHA responsibilities:
  - a. Where requested by an individual, assist participants to gain access to supportive services available within the community.
  - b. Identify public and private funding sources to assist participants with disabilities in covering the costs of structural alterations and other accessibility features that are needed as accommodations for their disabilities.
  - c. Not deny person who qualify for rental assistance under this program other housing opportunities, or otherwise restrict access to NAHA programs to eligible applicants who choose not to participate.
  - d. Provide Section 8 search assistance.
  - e. In accordance with regulatory guidance, provide higher rent to owners necessary for the provision of accessible units and structural modifications for persons with disabilities.
  - f. Provide technical assistance to owners for making reasonable accommodations or making units accessible to person with disabilities.

I. FAMILY UNIFICATION PROGRAM (FUP) FOR FAMILIES AND YOUTH  
 The New Albany Housing Authority has 50 FUP Vouchers for families, and for youth that age out of foster care that must meet the following criteria.

1. Families must meet the following criteria to be eligible for FUP:
  - a. The lack of adequate housing is a primary reason for the imminent placement of a family's child or children in out-of-home care, or in the delay in reuniting a child(ren) who are in out-of-home care with the family - as determined by the Public Child Welfare Agency (PCWA) and referred to NAHA; and,
  - b. The family qualifies for the Section 8 Housing Choice Voucher rental assistance as determined by the NAHA.

2. Youth must meet the following criteria to be eligible for FUP:
  - a. Eligible youth must be at the time of application for FUP be at least 18 years old and not more than 24 years of age.
  - b. The youth must lack adequate housing – determined by the PCWA and referred to NAHA.
  - c. The youth qualifies for the Section 8 Housing Choice Voucher rental assistance program as determined by NAHA.
  
3. Lack of adequate housing may be: living in substandard or dilapidated housing; homeless; in imminent danger of losing their housing; displaced by domestic violence; or living in an overcrowded unit. For youth this may mean that the youth is living in housing not accessible to the youth or the youth's disabled child or children, due to the nature of the disability.
  
4. Procedures for administering the PHA Section 8 waiting list
  - a. The NAHA first reviews its waiting list for any PCWA referred families and youth. These families and youth will be among the first served through FUP assistance, once they are determined to meet Section 8 criteria.
  - b. If the NAHA waiting list is closed, then NAHA will open the list for FUP eligible families and youth. These families and youth must be referred by the PCWA and placed on the Section 8 waiting list (assuming no FUP vouchers are available) and coded as FUP eligible. NAHA will then pull families and youth from the waiting list according to their rank order on the Section 8 waiting list.
  - c. If NAHA's Section 8 waiting list is open, FUP families and youth will be added to the waiting list (if no FUP units are available) and assigned a homeless preference, and others that may apply. FUP families and youth will then be served according to their rank and order on the waiting list.
  
5. FUP eligible families and youth on the PHA Section 8 waiting list will be offered housing based on:
  - a. The availability of a Family Unification Program Section 8 Housing Choice Voucher; and
  - b. Their rank and order on the Section 8 waiting list.
  
6. Right to an Appeal Hearing
  - a. All persons applying for the Family Unification Program can request an informal Hearing from the PHA on their Section 8 application (per HUD 24 CFR, Section 982.554).
  - b. NAHA will be responsible for defending its decisions pertaining to family's eligibility for Section 8 rental assistance and will follow standard Section 8 informal hearing procedures, as set forth in this board approved administrative plan.
  - c. The Floyd County Department of Child Services (DCS) will be responsible for defending its FUP eligibility determinations.

7. NAHA Responsibilities:
  - a. Accept families and youth certified by the Floyd County DCS as eligible for FUP. NAHA, upon receipt of the DCS referral must compare the names with those of families and youth already on NAHA's Section 8 waiting list. Any family or youth on NAHA's Section 8 waiting list that matches with the DCS referral must be assisted in order of their position on the waiting list in accordance with PHA admission policies. Any family or youth certified by the DCS as eligible and not on the waiting list, will be added to the waiting. If NAHA has a closed Section 8 waiting list, NAHA will reopen the waiting list to accept the FUP applicant family or youth who is not currently on NAHA's Section 8 waiting list.
  - b. Determine if any families or youth on its waiting list are living in temporary shelters or on the street and may qualify for FUP, and refer such applicants to the Floyd County DCS.
  - c. Determine if families or youth referred by Floyd County DCS are eligible for Section 8 assistance and place eligible families on the Section 8 waiting list.
  - d. Amend the administrative plan in accordance with applicable program regulations and requirements.
  - e. Administer the vouchers in accordance with applicable program regulations and requirements.
  - f. Assure the quality of the evaluation that HUD intends to conduct on the FUP and cooperate with and provide requested data to the HUD office or HUD-approved contractor responsible for program evaluation.
  - g. NAHA will comply with all actions to be taken by NAHA as specified by the Memorandum of Understanding (MOU) between NAHA and the Floyd County Department of Child Services.
  
8. Section 8 Voucher Assistance
 

The FUP provides funding for rental assistance under the Section 8 Housing Choice Voucher Program. NAHA will administer this program in accordance with HUD's regulations governing the Section 8 Housing Choice Voucher Program. If a Section 8 voucher for a family or youth under this program is terminated, the voucher will be reissued to another FUP eligible family or youth.
  
9. The length of time for youth participating in FUP will be restricted to 36 months.
  - a. FUP youth who agree to sign a Family Self Sufficiency (FSS) Contract of Participant will maintain their housing assistance for a period not exceeding the FSS Contract of Participation (five years). If the Contract of Participation is extended, the FUP youth voucher can be extended for the full length of the FSS Contract of Participation.
  - b. The FUP youth is accorded the full length of the FSS Contract of Participation without regard to the amount of time remaining on their original 36 month time limit.

- c. FUP youth cannot be required to participate in the FSS program as a condition of receipt of assistance under the Housing Choice Voucher program.
- d. FUP youth will notified of the availability of the FSS program during the initial briefing.

### ***11.6 UTILITY ALLOWANCE***

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)).

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.

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 **Section 8 Director**.

The Housing Authority uses the appropriate utility allowance for the lesser of the size of dwelling unit actually leased by the family or the voucher size issued, as determined under NAHA's subsidy standards.

At each annual reexamination, the Housing Authority applies the utility allowance from the most current utility allowance schedule.

In cases where a reasonable accommodation has been provided to a family that includes a person with disabilities, NAHA will use the appropriate utility allowance for the size for the size of the unit actually leased by the family.

### ***11.7 DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT***

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 New Albany Housing Authority a late payment, agreed to in the Contract and in accordance with generally accepted practices in the New Albany/Floyd County jurisdiction.

### ***11.8 CHANGE OF OWNERSHIP***

The New Albany Housing Authority requires a written request by the owner who executed the HAP contract in order to make changes regarding who is to receive the New Albany Housing Authority's rent payment or the address as to where the rent payment should be sent.

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

- A. Deed of Trust showing the transfer of title, or HUD Settlement Statement; and
- B. Tax Identification Number or Social Security Number.

New owners will be required to execute IRS form W-9, and Landlord Certification. The New Albany Housing Authority may withhold the rent payment until the taxpayer identification number is received.

## **12.0 INSPECTION POLICIES, HOUSING QUALITY STANDARDS, AND DAMAGE CLAIMS**

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

The New Albany Housing Authority 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 can not 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 New Albany Housing Authority will only schedule one more inspection. If the family misses two inspections, the New Albany Housing Authority 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 New Albany Housing Authority will perform:

- A. Initial Inspection - An inspection that must take place to insure that the unit passes HQS before assistance can begin.

- B. Biennial Inspection - An inspection to determine that the unit continues to meet HQS.
- C. Complaint Inspection - An inspection caused by the Authority receiving a complaint on the unit by anyone.
- D. Special Inspection - An inspection caused by a third party, i.e. HUD, needing to view the unit.
- E. Emergency - An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.
- F. Move Out Inspection (if applicable) - An inspection required for units in service before October 2, 1995, and optional after that date. These inspections document the condition of the unit at the time of the move-out.
- G. Quality Control Inspection – per SEMAP requirements the New Albany Housing Authority will conduct supervisory inspections of units based on the following formula: five inspections for the first 50; and one each for every 50 thereafter. Based on 408 vouchers NAHA will conduct a minimum of 13 inspections.

## **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 New Albany Housing Authority will take prompt and vigorous action to enforce the owner obligations. The New Albany Housing Authority's remedies for such breach of the HQS include termination, or abatement of the HAP contract.
  - 3. The New Albany Housing Authority 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 New Albany Housing Authority and the New Albany Housing Authority 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 New Albany Housing Authority 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 New

Albany Housing Authority 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 New Albany Housing Authority approved extension).
3. If the family has caused a breach of the HQS, the New Albany Housing Authority will take prompt and vigorous action to enforce the family obligations. The New Albany Housing Authority may terminate assistance for the family in accordance with 24 CFR 982.552.

**12.3 HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401**

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 may be eligible for separate rooms.
- c. Unit windows located on the first floor, at the basement level, on a fire escape, porch, or other outside space that can be reached from the ground and that are designed to be opened must have a locking device. (Windows with sills less than six feet off the ground are considered accessible). Traditional window locks, those provided by storm/screen combination windows, window pins, and nails are acceptable. Windows leading to a fire escape or required to meet ventilation requirements may not be nailed shut.
- d. Doors leading to the outside and common hallways, fire escapes, and porches or otherwise accessible from the ground must have locks. No specific type of lock is required.
  - (i) The presence of only a chain lock is not acceptable and will not permit the unit to pass.
  - (ii) A single bolt lock is not acceptable and is inadequate if it is the only lock on the only door.

D. Thermal Environment

1. Performance Requirement

The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body. From October 1 through May 1 the unit has to maintain a thermal environment of 68 degrees.

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 (or cooling if system present) 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 unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.
- c. The tenant must be able to control the thermal environment, i.e., thermostat in the unit.

#### 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 not pose a fire hazard.

##### 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 proof.
- c. The foundation and 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 safely. A current city or state inspection certificate suffices to determine working condition of the elevator.
- f. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches off the ground.
- g. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

G. Interior Air Quality

1. Performance Requirement

The dwelling unit must be free of air pollutant levels that threaten the occupant's health.

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. Air conditioning provides adequate circulation as do ceiling and vent fans.

- c. Bathroom areas must have one window that can be opened or other adequate exhaust ventilation. The ventilating fan must operate as intended.
- d. Any room used for sleeping must have at least one window. If the window was designed to be openable, it must in proper working order. Windows designed to open must not be painted or nailed shut.

## 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.
- d. Elevated blood level (EBL): Excessive absorption of lead. Excessive absorption is a confirmed concentration of lead in whole blood of 20 ug/dl (micrograms of lead per deciliter) for a single test or of 15-19 ug/dl in two tests taken at least three months apart.
- e. HEPA: A high efficiency particle accumulator as used in lead abatement vacuum cleaners.

- f. Lead-based paint: A paint surface, whether or not defective, identified as having a lead content greater than or equal to 1 milligram per centimeter squared ( $\text{mg}/\text{cm}^2$ ), or 0.5 % by weight or 5000 parts per million (PPM).

## 2. Performance Requirements

- a. The purpose of this paragraph of this section is to implement Section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4822, by establishing procedures to eliminate as far as practicable the hazards of lead-based paint poisoning for units assisted under this part. This paragraph is issued under 24 CFR 35.24(b)(4) and supersedes, for all housing to which it applies, the requirements of subpart C of 24 CFR part 35.
- 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 subpart A of 24 CFR part 35 apply to all units constructed prior to 1978 covered by a HAP contract under part 982.
- 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 k 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.
- g. In addition to the requirements of paragraph c of this Section, for a dwelling unit constructed before 1978 that is occupied by a family with a child under the age of six years with an identified EBL condition, the initial and each periodic inspection (as required under this part) must include a test for lead-based paint on chewable surfaces. Testing is not required if previous testing of chewable surfaces is negative for lead-based paint or if the chewable surfaces have already been treated.
- h. Testing must be conducted by a State or local health or housing agency, an inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD. Lead content must be tested by using an X-ray fluorescence analyzer (XRF) or by laboratory analysis of paint samples. Where lead-based paint on chewable surfaces is identified, treatment of the paint surface in accordance with paragraph k of this Section is required, and treatment shall be completed within the time limits in paragraph e of this Section.
- i. The requirements in paragraph g of this Section apply to all protruding painted surfaces:
  - i. Within the unit;
  - ii. The entrance and hallway providing access to a unit in a multi-unit building; and
  - iv. Exterior surfaces associated with the unit.
- j. In lieu of the procedures set forth in paragraph g of this Section, the housing authority may, at its discretion, waive the testing requirement and require the owner to treat all interior and exterior chewable surfaces in accordance with the methods set out in paragraph k of this Section.

- k. 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 20 square feet on an exterior wall;
    - (2) More than 2 square feet in any one room or space;
    - (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 hydroblasting 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 hydroblasting 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.
- l. 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.
- m. 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.
- n. The Housing Authority must attempt to obtain annually from local health agencies the names and addresses of children with identified EBLs and must annually match this information with the names and addresses of participants under this part. If a match occurs, the Housing Authority must determine whether local health officials have tested the unit for lead-based paint. If the unit has lead-based paint, the Housing Authority must require the owner to treat the lead-based paint. If the owner does not complete the corrective actions required by this Section, the family must be issued a certificate or voucher to move.
- o. 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).

2. Acceptability Criteria

- a. The unit must have private access.
- b. In case of fire, the building must contain an alternate means of exit such as fire stairs, or windows, including use of a ladder for windows above the second floor.

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 of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm

system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

- 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, including the regulations published on July 30, 1992, (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (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).
- c. If a hearing impaired person is occupying the dwelling unit, the smoke detectors must have an alarm system designed for hearing impaired persons as specified in NFPA 74.

#### ***12.4 EXCEPTIONS TO THE HQS ACCEPTABILITY CRITERIA***

The New Albany Housing Authority will utilize the acceptability criteria as outlined above with applicable State and local codes. Additionally, the New Albany Housing Authority 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. This applies only to those units where there is no air conditioning provided, i.e., central air, or window units.
- 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 for the months of October 1 through May 1. The thermostat must be located in the tenant's unit.
- D. 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 New Albany Housing Authority 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 15 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, the owner and the participant will be advised to notify the New Albany Housing Authority 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 on the program until the unit meets the HQS requirements, with the following exceptions, and at the discretion of the Section 8 Director:

1. In the case of any dwelling unit that is determined not to meet HQS, assistance payments may be made for the unit if failure to meet such standards is a result only of non-life threatening conditions. NAHA will only utilize this exception given a landlord's history of compliance not only with initial inspections, but all other types of HQS inspections including but not limited to annual/biennial inspections, special and complaint inspections, and quality control inspections.
2. After 30 days after the beginning period for which HAP is made, NAHA will withhold any assistance payments for the unit if any deficiency resulting in noncompliance with HQS has not been corrected by such time. NAHA will recommence HAP when such deficiency has been corrected, and use any HAP withheld to make assistance payments relating to the period during which payments were withheld.
  - a. NAHA will notify the owner in writing that the abatement has commenced. If the unit is not brought into compliance with HQS within 60 days, the tenant will have to move, and be briefed and issued the necessary documents to allow such move.
  - b. The owner may not terminate tenancy of a tenant during an abatement. However, the tenant may terminate the tenancy by notifying owner through the normal move procedures as established in this administrative plan by contacting NAHA's section 8 office.
  - c. The will be given 90 days from the date of the termination of the HAP contract, with one extension.
  - d. If HQS failure was caused by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, all the above provisions will not apply, and the tenant's assistance will be terminated.

- e. Up to two months of the abatement withheld from owner may be used for relocation costs for tenant.

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 New Albany Housing Authority will abate payment and terminate the contract in accordance with Sections 12.7 and 17.0(B)(3)(f)(i).

If the participant fails to correct the HQS failed items that are family-caused after proper notification has been given, the New Albany Housing Authority will terminate assistance for the family in accordance with Sections 12.2(B)(i)(c) and 17.0(B)(3).

C. Time Frames for Corrections

1. Emergency repair items must be repaired within 24 hours. See item 12.6 for emergency fail items.
2. Repair of refrigerators, range and oven, a major plumbing fixture supplied, by the owner, and no hot water, must be repaired within 72 hours. Gas and electric shut off during winter months is a 72 hours fix, otherwise they have to be turned on in 30 days.
3. For non-emergency items the owner will have up to 30 days to complete.

D. Extensions

At the sole discretion of the New Albany Housing Authority, 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 30 days (60 days if a 30 day extension has been granted) after the initial inspection date, the New Albany Housing Authority 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**

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

- A. No water
- B. Major plumbing leak
- C. Natural gas leak
- D. Broken lock(s) on first floor doors or windows
- E. Broken windows that unduly allow weather elements into the unit
- F. Electrical outlet smoking or sparking
- G. Exposed electrical wires that could result in shock or fire
- H. Unusable toilet when only one toilet is present in the unit
- I. Security risks such as broken doors or windows that would allow intrusion
- J. Other conditions which pose an immediate threat to health or safety
- K. No smoke detector or improperly functioning smoke detector, if the smoke detector in question is the only smoke on its level of the unit.

## **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 may be abated.

The initial abatement period will begin the first day of the month following the month the unit failed and will not exceed 7 days (e.g. unit fails May 14, the abatement will begin June 1). 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 New Albany Housing Authority 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 New Albany Housing Authority will send a notice of termination to both the tenant and the owner.

### **13.0 OWNER CLAIMS FOR DAMAGES, UNPAID RENT, AND VACANCY LOSS AND PARTICIPANT'S INSURING RESPONSIBILITIES**

This Section only applies to HAP contracts in effect before October 2, 1995. Vouchers have a provision for damages and unpaid rent. No vacancy loss is paid on vouchers. No Damage Claims will be processed unless the New Albany Housing Authority has performed a move-out inspection. Either the tenant or the owner can request the move-out inspection. Ultimately, it is the owner's responsibility to request the move-out inspection if he/she believes there may be a claim.

Damage claims are limited in the following manner:

- A. In the Voucher Program, owners are allowed to claim up to one (1) month contract rent minus greater of the security deposit collected or the security deposit that should have been collected under the lease. There will be no payment for vacancy losses under the Housing Choice Voucher Program.
- B. No damage claims will be paid under either program effective on or after October 2, 1995.

### **13.1 OWNER CLAIMS FOR PRE-OCTOBER 2, 1995, UNITS**

In accordance with the HAP contract, owners can make special claims for damages, unpaid rent, and vacancy loss (vacancy loss can not be claimed for vouchers) after the tenant has vacated or a proper eviction proceeding has been conducted.

Owner claims for damages, unpaid rent, and vacancy loss are reviewed for accuracy and completeness. Claims are then compared to the move-in and move-out inspections to determine if an actual claim is warranted. No claim will be paid for normal wear and tear. Unpaid utility bills are not an eligible claim item.

The New Albany Housing Authority will make payments to owners for approved claims. It should be noted that the tenant is ultimately responsible for any damages, unpaid rent, and vacancy loss paid to the owner and will be held responsible to repay the New Albany Housing Authority to remain eligible for the Section 8 Program.

Actual bills and receipts for repairs, materials, and labor must support claims for damages. The New Albany Housing Authority will develop a list of reasonable costs and charges for items routinely included on damage claims. This list will be used as a guide.

Owners can claim unpaid rent owned by the tenant up to the date of HAP termination.

### **13.2 PARTICIPANT RESPONSIBILITIES**

If a damage claim has been paid to an owner, the participant is responsible for repaying the amount to the New Albany Housing Authority. This shall be done by either paying the full amount due immediately upon the New Albany Housing Authority requesting it or through a Repayment Agreement that is approved by the New Albany Housing Authority.

If the participant is not current on any Repayment Agreements or has unpaid claims on more than one unit, the participant shall be terminated from the program. The participant retains the right to request an informal hearing.

## **14.0 RECERTIFICATION**

### **14.1 ANNUAL REEXAMINATION**

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

For in place families whose units have been converted from public housing to project-based section 8 through RAD, the effective date of the annual reexamination will remain the same as the is it would have been without conversion.

The New Albany Housing Authority will send a notification letter to the family letting them know that it is time for their annual reexamination and scheduling an appointment. The letter includes forms for the family to complete in preparation for the interview. The letter includes instructions permitting the family to reschedule the interview if necessary. The letter tells families who may need to make alternate arrangements due to a disability that they may contact staff to request an accommodation of their needs.

During the interview, the family will provide all information regarding household 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 or faxed to the sources that will verify the family circumstances.

Upon receipt of verification, the New Albany Housing Authority will determine the family's annual income and will calculate their family share.

#### **14.1.1 Effective Date of Rent Changes for Annual Reexaminations**

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

If the rent determination is delayed due to a reason beyond the control of the family, 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.

### **14.1.2 Missed Appointments**

If the family fails to respond to the letter and fails to attend the interview, a second letter will be mailed. The second letter will advise of a new time and date for the interview, allowing for the same considerations for rescheduling and accommodation as above. The letter will also advise that failure by the family to attend the second scheduled interview will result in the New Albany Housing Authority taking action to terminate the family's assistance.

## **14.2 INTERIM RE-EXAMINATIONS**

During an interim reexamination only the information affected by the changes being reported will be reviewed and verified.

Families are required to report the following changes to the New Albany Housing Authority between regular reexaminations. These changes will trigger an interim reexamination.

- A. A member has been added to the family through birth or adoption or court-awarded custody.
- B. A household member is leaving or has left the family unit.
- C. Families are required to report changes in income within ten days of the change. In case of employment the change will be reported within days of starting employment and not the first paycheck.

If the family fails to report an increase in income the family will be required to repay the resulting overpayment of assistance. If the family fails to sign a repayment agreement with the New Albany Housing Authority or fails to comply with its terms after signing the repayment agreement, the family's Section 8 assistance will be terminated. The family will be given the opportunity to appeal finding for unreported income, and the termination per the New Albany Housing Authority's appeal process outlined in Section 16.3.

- D. Family break-up

In circumstances of a family break-up, the New Albany Housing Authority will make a determination of which family member will retain the certificate or voucher, taking into consideration the following factors:

1. To whom the voucher was issued.
2. The interest of minor children or of ill, elderly, or disabled family members.
3. Whether the assistance should remain with the family members remaining in the unit.
4. Whether family members were forced to leave the unit as a result of actual or threatened physical violence by a spouse or other member(s) of the household.

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

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

The New Albany Housing Authority will issue a determination within 10 business days of the request for a determination. The family member requesting the determination may request an informal hearing in compliance with the informal hearings in Section 16.3.

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

reasons. Verifications will only be obtained to support the information (including income and deductions, citizenship, etc.) of the new household member. The effective date of the new rent will be in accordance with paragraph below 14.2.2.

#### **14.2.1 Zero Income Households**

Households that declare zero income will be required to sign a zero income instatement and complete the zero income worksheet.

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

Unless there is a delay in interim 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.

### **14.3. Unreported Income and Repayment Agreements**

A. If the family fails to report an increase in income the family will be required to repay the resulting overpayment of assistance. If the family fails to sign a repayment agreement with the New Albany Housing Authority or fails to comply with its terms after signing the repayment agreement, after a reasonable period of time as defined in 14.3.A.1, the family's Section 8 assistance will be terminated. The family will be given the opportunity to appeal the finding for unreported income, and the termination per the New Albany Housing Authority's appeal process outlined in Section 16.3.

1. The family will not be allowed to exceed two missed payments. Missed payments can be either consecutively or non-consecutively missed payments during the term of the repayment agreement. After two missed payments the family will be terminated. The Housing Authority reserves the right to either make the family pay off the repayment agreement in full or catch up on the missed payments.
2. If the appeal process results in final termination of the family for non-payment of the repayment agreement and the family owes a debt to the

Housing Authority, the family will be turned over to the New Albany Housing Authority attorney for further legal action to collect the debt.

## **15.0 TERMINATION OF ASSISTANCE TO THE FAMILY BY THE NEW ALBANY HOUSING AUTHORITY**

The Housing Authority may at any time terminate program assistance for a participant, because of any of the following actions or inaction by the household:

- A. If the family violates any family obligations under the program.
- B. If a family member fails to sign and submit consent forms. This is not limited to consent forms required by NAHA, but includes those consent forms required by other agencies allow NAHA staff to obtain information from those agencies whose decisions may effective household composition.
- C. If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or temporary deferral of assistance. If the New Albany Housing Authority determines that a family member has knowingly permitted an ineligible non-citizen (other than any ineligible non-citizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination.
- D. If any member of the family has ever been evicted from federally assisted housing in the last three years.
- E. If the New Albany Housing Authority or any other housing authority has ever terminated assistance under the Certificate or Voucher Program for any member of the family.
- F. If any member of the family commits drug-related criminal activity, or violent criminal activity.
- G. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- H. If the family currently owes rent or other amounts to the New Albany Housing Authority or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act.
- I. If the family breaches an agreement with the Housing Authority to pay amounts owed to the Housing Authority.

- J. If a family participating in the FSS program fails to comply, without good cause, with the family's FSS contract of participation.
- K. If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel.
- L. If any household member is subject to a lifetime registration requirement under a State sex offender registration program.
- M. If a household member's illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by the New Albany Housing Authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- N. If any member of the household has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing.
- O. If any member of the household is fleeing to avoid prosecution, custody, or confinement other conviction, for a crime or an attempt to commit a crime that is a felony.
- P. If a family member is violating a condition of probation or parole imposed under federal or state law.
- Q. NAHA may terminate assistance for criminal activity by a household member under CFR 982.553(c) if NAHA determines, based on a preponderance of evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.
- R. NAHA must terminate assistance if the family has been evicted from housing assisted under the Section 8 program for serious violation of the lease, which includes, but is not limited to non-payment of rent. If the family moves (leaves the unit) while an eviction process is taking place, but before the court has made a decision, NAHA will terminate the family's assistance.

## **16.0 Prohibited Basis for termination of Assistance**

### 16.1 VICTIMS OF DOMESTIC VIOLENCE

Criminal activity directly relating to domestic violence, dating violence, stalking, or sexual assault shall not be considered cause for termination of assistance for any participant or

immediate member of a participant's family who is a victim of the domestic violence, dating violence, or stalking.

- A. NAHA may terminate assistance or an owner/manager may bifurcate the lease to terminate assistance to remove a lawful occupant or tenant who engages in criminal acts of violence to family members or other household members without terminating assistance of victimized occupants.
- B. NAHA can still terminate assistance for other good cause unrelated to the incident or incidents or domestic violence.
- C. If NAHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property, including NAHA employees that person or family can be terminated.
- D. NAHA will not terminate or deny portable voucher assistance to a tenant who is otherwise in compliance with program rules moved out of a previous assisted unit in order to protect the health and safety of an individual who is or has been the victim of domestic violence, dating violence, stalking, or sexual assault and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit.
- E. If the family moves out in violation of the lease in order to protect the health or safety of a person who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believes him or herself to be threatened with imminent harm from further violence by remaining in the dwelling unit (or any family member has been the victim of sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's move or request to move), and has otherwise complied with all other obligations under the Section 8 program, the family may receive a voucher from NAHA and move to another jurisdiction under the Housing Choice Voucher program.
- F. Victims of domestic violence, dating violence, stalking, or sexual assault who request protections under the Violence Against Women Act may be allowed to move from the Section 8 Housing Choice Voucher program to the Project-based voucher program or Public Housing without having to make application to the two latter programs.

One of the three below will be required to certify his or her status as a victim of domestic violence, dating violence, or stalking:

- 1. HUD-Approved Certification form when promulgated by HUD. Form HUD 5392.
- 2. Provide NAHA with documentation signed by an employee, agent, or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence,

dating violence, sexual assault, or stalking, or the effects of the abuse, in which the professional attests under penalty of perjury to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence, dating violence, or stalking has signed or attested to the documentation.

3. Producing a Federal, State, tribal territorial, or local police or court record.
4. Each participant will be provided HUD's Notice of Occupany Rights (Form HUD-5380, and its corresponding certification form Form HUD-5382), under the violence Against Women Act, and if requesting protections under VAWA the participant will complete the attached Form HUD-5382.

The individual shall provide certification within 14 business days after NAHA requests the certification in writing. If the certification is not received within 14 business days of the request, NAHA may terminate assistance. NAHA may extend the 14 day deadline at its discretion.

Information provided by the victim pursuant to the certification shall be retained in confidence and not entered into any shared database nor provided to any related entity except when the disclosure is consented to by the individual in writing, required for use in eviction proceedings, or otherwise required by law.

## **17.0 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS**

### ***17.1 COMPLAINTS***

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

### ***17.2 INFORMAL REVIEW FOR THE APPLICANT***

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

The New Albany Housing Authority will give an applicant for participation in the Section 8 Housing Choice Voucher Program prompt notice of a decision denying assistance to the applicant. The notice will contain a brief statement of the reasons for the New Albany Housing Authority decision. The notice will state that the applicant may request an informal review within ten days of the denial and will describe how to obtain the informal review.

#### **B. When an Informal Review is not required**

The New Albany Housing Authority will not provide the applicant an opportunity for an informal review for any of the following reasons:

1. A determination of the unit size under the New Albany Housing Authority subsidy standards.
2. A New Albany Housing Authority determination not to approve an extension or suspension of a voucher term.
3. A New Albany Housing Authority determination not to grant approval to lease a unit under the program or to approve a proposed lease.
4. A New Albany Housing Authority determination that a unit selected by the applicant is not in compliance with HQS.
5. A New Albany Housing Authority 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 New Albany Housing Authority.
8. How the New Albany Housing Authority established its utility allowances.

C. Informal Review Process

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

1. The review will be conducted by any person or persons designated (Director of Security or Director of Human Resources and Communications) by the New Albany Housing Authority 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 New Albany Housing Authority decision.
3. The New Albany Housing Authority will notify the applicant of the New Albany Housing Authority 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 three years 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 New Albany Housing Authority 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 New Albany Housing Authority provide for an informal review after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the applicant family within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

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

### **17.3 INFORMAL HEARINGS FOR PARTICIPANTS**

#### **A. When a Hearing is required**

1. The New Albany Housing Authority will give a participant family an opportunity for an informal hearing to consider whether the following New Albany Housing Authority decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and New Albany Housing Authority policies:
  - a. Determination of the family's annual or adjusted income.
  - b. Calculation of total tenant payment.
  - c. Determination of appropriate utility allowance from the PHA's utility allowance schedule.
  - d. Termination of assistance.
  - e. Determination of unit size for participants under the New Albany Housing Authority subsidy standards.
  - f. Denial of a hardship exemption to the minimum rent requirement.
2. In cases described in paragraphs 16.3(A)(1), of this Section, the New Albany Housing Authority will give the opportunity for an informal hearing before the New Albany Housing Authority terminates housing assistance payments for the family under an outstanding HAP contract.

#### **B. When a Hearing is not required**

The New Albany Housing Authority will not provide a participant family an opportunity for an informal hearing for any of the following reasons:

1. Discretionary administrative determinations by the New Albany Housing Authority.
2. General policy issues or class grievances.
3. Establishment of the New Albany Housing Authority schedule of utility allowances for families in the program.
4. A New Albany Housing Authority determination not to approve an extension or suspension of voucher term.

5. A New Albany Housing Authority determination not to approve a unit or lease.
6. A New Albany Housing Authority determination that an assisted unit is not in compliance with HQS. (However, the New Albany Housing Authority 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 New Albany Housing Authority determination that the unit is not in accordance with HQS because of the family size.
8. A determination to exercise or not to exercise any rights or remedies against the owner.

C. Notice to the Family

1. In the cases described in paragraphs 16.3(A)(1)(a), (b), and (c), of this Section, the New Albany Housing Authority will notify the family that the family may ask for an explanation of the basis of the New Albany Housing Authority's 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 16.3(A)(1)(d), and (e), of this Section, the New Albany Housing Authority 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 that if the family does not agree with the decision, the family may request an informal hearing on the decision within 10 days of the notification.

D. Hearing Procedures

The New Albany Housing Authority and participants will adhere to the following procedures:

1. Discovery
  - a. The family will be given the opportunity to examine before the hearing any New Albany Housing Authority 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 New Albany

Housing Authority does not make the document(s) available for examination on request of the family, the New Albany Housing Authority may not rely on the document at the hearing.

- b. The New Albany Housing Authority will be given the opportunity to examine, at the New Albany Housing Authority's offices before the hearing, any family documents that are directly relevant to the hearing. The New Albany Housing Authority will be allowed to copy any such document at the New Albany Housing Authority's expense. If the family does not make the document(s) available for examination on request of the New Albany Housing Authority, 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 its 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 (Director of Safety and Security or General Counsel/Director of Human Resources) designated by the New Albany Housing Authority, 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 New Albany Housing Authority hearing procedures.

4. Evidence

The New Albany Housing Authority 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 New Albany Housing Authority is not bound by a hearing decision:

- a. Concerning a matter for which the New Albany Housing Authority 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 New Albany Housing Authority hearing procedures.
- b. Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.
- c. If the New Albany Housing Authority determines that it is not bound by a hearing decision, the New Albany Housing Authority 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 three years 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 New Albany Housing Authority 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 New Albany Housing Authority provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the participant family within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

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

## 18.0 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 New Albany Housing Authority. 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 New Albany Housing Authority after the first year of the lease. The length of the notice that is required cannot be less than 30 days.

#### 2. By the owner.

- a. During the term of the lease (the initial term of the lease or any extension term), the owner may only terminate the tenancy because of:

- i. Serious or repeated violations of the terms or conditions of the lease, including but not limited to failure to pay rent or other amounts due under 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. During the initial lease term, or during any extension, other good cause includes:
    - (1) Disturbance of neighbors;
    - (2) Destruction of property;
    - (3) Living or housekeeping habits that cause damage to the unit or premises.
  - vi. After the initial lease term such good cause includes:
    - (1) Failure by the family to accept the offer of a new lease;
    - (2) 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;
    - (3) 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 New Albany Housing Authority 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.
- e. For any project-based voucher developments owned by NAHA or a wholly-owned affiliate of NAHA, the family is entitled to present a grievance in accordance with NAHA's existing grievance procedures when the lease is terminated.

3. Termination of the Lease by mutual agreement

The family and the owner may at any time mutually agree to terminate the lease. The family and owner will meet with Section 8 staff to agree on a date and sign a Mutual Termination terminating the lease and contract on the agreed upon date

B. Termination of the Contract

1. Automatic termination of the Contract

- a. If the New Albany Housing Authority terminates assistance to the family, the contract terminates automatically.
- b. If the family moves out of the unit, the contract terminates automatically.
- c. The owner or family terminates the lease.
- d. The owner evicts the family.
- e. 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 New Albany Housing Authority

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 New Albany Housing Authority determines that the family members who move from the unit will continue to receive the assistance.
- e. The New Albany Housing Authority 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.

5. In the case the New Albany Housing Authority determines there is insufficient funding from HUD to support continued assistance for all families in the tenant-based and project-based voucher programs, tenant based HAP contracts and vouchers will have first priority for termination. Project-based HAP contracts will not be terminated until all tenant-based HAP contracts and vouchers have been terminated.

## **19.0 CHARGES AGAINST THE SECTION 8 ADMINISTRATIVE FEE RESERVE**

Occasionally, it is necessary for the New Albany Housing Authority 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 New Albany Housing Authority Board of Commissioners authorizes the Executive Director to expend without prior Board approval up to **\$10,000.00** for authorized expenditures.

Any item(s) exceeding **\$10,000.00** will require prior Board of Commissioner approval before any charge is made against the Section 8 Administrative Fee Reserve.

## **20.0 INTELLECTUAL PROPERTY RIGHTS**

No program receipts may be used to indemnify contractors or subcontractors of the New Albany Housing Authority against costs associated with any judgment of infringement of intellectual property rights.

## **21.0 TRANSITION TO THE NEW HOUSING CHOICE VOUCHER PROGRAM**

Since 1994 the New Albany Housing Authority has administered a voucher program that consisted of 50 vouchers. This rental assistance program did not consist of any other type of Section 8 rental assistance, e.g. certificates.

All vouchers will be converted to Housing Choice Vouchers in accordance with the Quality Work and Housing Responsibility Act of 1998. Presently the Section 8 rental assistance program consists of 408 Housing Choice Vouchers.

## **22.0 FAMILY SELF-SUFFICIENCY**

### ***22.1 SELECTION POLICIES***

Families using our section 8 housing vouchers are eligible for voluntary participation in the Family Self-Sufficiency Program. They must be a current resident section 8 family with a NAHA voucher and head of household unless the Head of Household is disabled and a waiver is granted for another household member who wishes to participate.

Participants must agree to seek and maintain suitable employment.

Participation in the program will be on a first-come, first-serve basis.

NAHA will make reasonable accommodation for participants with disabilities.

Section 8 participants who do not wish to participate in the FSS Program will not lose their housing assistance because of their decision.

### ***22.2 NON-DISCRIMINATION POLICIES***

The Housing Authority of the City of New Albany exercises a non-discrimination policy, in compliance with the rules and regulations governing the Fair Housing Act. NAHA shall not deny any family the opportunity to participate in the FSS program on the basis of race, color, sex, religion, creed, national or ethnic origin, age, family or marital status, physical ability, disability or sexual orientation.

### ***22.3 DENIAL OF PARTICIPATION***

The Housing Authority of the City of New Albany may deny a family participation in the FSS Program if they previously participated in the FSS Program and did not meet their obligations and were terminated. A family may also be denied if the applicant owes NAHA or another housing authority money in connection with section 8 assistance.

### ***22.4 TERMINATION FROM THE FSS PROGRAM***

NAHA may terminate a FSS contract for non-compliance with the contract. The FSS Contract of Participation may also be terminated for the following reasons: mutual consent, failure of family to meet contract obligations without good cause, family withdrawal from the FSS Program, other act(s) deemed inconsistent with the purpose of the FSS Program, operation of law or failure of the family to remain in good standing by way of lease violation of the NAHA One Strike policy. If a section 8 participant fails to report income within the allotted amount of time, they will automatically be terminated from the Family Self-Sufficiency Program and forfeit any amount of accrued escrow.

### ***22.5 TERMINATION OF SERVICES***

If NAHA decides to terminate FSS supportive services, the FSS Contract, or Section 8 Assistance because the family failed to comply with its FSS Contract, NAHA will offer the family the opportunity for an informal hearing.

NAHA may terminate section 8 assistance as a consequence of not completing the obligations of the FSS Contract. The family may continue to receive section 8 assistance after termination of participation in the section 8 FSS program. NAHA will review the circumstances of the noncompliance to determine the appropriate remedy.

If a family drops out of the FSS program or if the contract expires and NAHA does not terminate assistance, the family will continue to receive section 8 assistance.

#### **22.6 WITHHOLDING SUPPORT SERVICES**

NAHA may withhold support services for any participant who is in noncompliance with their contract. NAHA will review the circumstances of the noncompliance to determine the appropriate remedy.

Former FSS families who have completed their contracts, still receiving housing assistance and whose head of household is employed may be offered FSS supportive services to help continue toward self-sufficiency for up to one year.

#### **22.7 HEARING PROCEDURES FOR FSS FAMILIES**

NAHA hearing procedures are in this Administrative Plan. All families terminated from the program will be afforded an opportunity to request an informal hearing for a determination of the appropriateness of the termination or withholding of supportive services placed on a participant family.

#### **22.8 ESCROW POLICIES**

FSS families pay rent in accordance with their incomes. NAHA will deposit all escrowed funds into a depository account. The monthly amount deposited is determined by increases in earned income. If the rent is paid late, the family will not receive a deposit for that month. *(If family rent becomes less than at enrollment, there is no escrow credit).*

NAHA will report annually to each FSS family with an escrow account: the balance at the beginning of the report period, all deposits made during the report period, any deductions made from the account during the reporting period, the amount of interest earned on the account during the year, the total in the account at the end of the reporting period.

Interim disbursements will be at the sole discretion of NAHA. Interim withdrawals will be allowed if the family has fulfilled some of their interim contract goals, is working towards self-sufficiency and needs a portion of the FSS account funds for purposes consistent with the Contract such as: school tuition or other school costs, job training expenses, business

start-up expenses, car or car repair when public transportation is unavailable or inaccessible to the family, or credit clean-up, fees for a home loan, etc.

Participants will not be allowed to draw more than 50% of their total escrow account and can only withdraw one time per NAHA fiscal year that runs from April 1 of one year to March 31 of the next year.

To receive the entire balance earned in the FSS escrow account, the family must have completed all obligations set forth in the Contract of Participation. Completion occurs when the family has fulfilled goals in the Individual Training and Services Plan and has remained free of welfare assistance, excluding housing assistance, for 12 months prior to the expiration date of the contract, or if 30% of their monthly adjusted income equals or exceeds the fair market rent/payment standard for the voucher size of the family.

The Family Support Services Director will determine fulfillment of goals.

Families will receive their escrow money within forty five days of the completion of the contract.

There will be a one-year waiting period for families that have received their escrow account and want to reapply.

Amounts in the FSS account will be forfeited if: the Contract of Participation is terminated or declared null and void, or, the Contract of Participation is completed but the family is receiving welfare cash assistance when the contract expires, including extensions. If families have not paid their portion of rent to the Section 8 homeowner, if the head of household dies and the remaining family members choose not to participate in the program, or, if the head of household leaves the family unit and the remaining family members choose not to participate in the program, or if the family does not comply with the terms of the lease agreement.

Section 8 FSS Escrow Accounts and Portability: Clients wishing to exercise portability rights will be handled in accordance with the section 8 Administrative Plan. If a Section 8 participant who has an escrow account relocates, the escrow will be forfeited as NAHA chooses not to participate in the forwarding of escrow accounts.

Procedure for requesting an interim disbursement: the participant must complete and sign the Request for Interim Disbursement Form, provide a copy of their driver's license and social security card, and provide supporting documentation such as estimates, receipts, letter from credit counselors, lending institutions, etc. to justify the request as a need in order to complete the FSS goals.

Clients are required to report any changes in their income within 10 days. Failure to report an increase in income constitutes fraud and may lead to termination from the FSS program and / or the section 8 rental assistance program.

If the client owes money to the Section 8 program upon completion of the program, the amount will be subtracted from their escrow account upon withdrawal.

Amounts in the FSS Escrow Account will be forfeited if: the resident moves to another section 8 program, the Contract of Participation is terminated, the Contract is completed, but the family is receiving welfare assistance when the contract expires, if the head of the family dies and the remaining members of the family choose not to participate in the program, or for nonpayment of rent.

### **23.0 Housing Choice Voucher Homeownership Option**

The New Albany Housing Authority (NAHA) hereby establishes a Section 8 tenant-based homeownership option in New Albany pursuant to the U.S. Department of Housing and Urban Development's (HUD) final rule dated October 12, 2000 and by Section 555 of the Quality Housing and Work Responsibility Act of 1998 under Section 8(y) Homeownership Option.

#### **Participant Qualifications**

To be eligible for homeownership assistance, the family must satisfy all of the following initial requirements at the commencement of homeownership assistance:

- A) A family assisted under the homeownership option must be a qualified existing participant who has been receiving housing assistance, either section 8 or public housing, from the New Albany Housing Authority for a minimum of one year.
  - 1. The family must have successfully complied with all rental program requirements and lease requirements for a minimum of one-year prior to application for the homeownership program.
  - 2. Program participants shall be ineligible for the homeownership program if any debt remains owed to the New Albany Housing Authority or any other housing authority.
  
- B) First-time homeowner requirements. At commencement of homeownership assistance for the family, the family must be any of the following:
  - 1. A family of which no member owned any ownership interest in a residence during the three years before commencement of homeownership assistance for the family. The term first-time homeowner includes a single parent or displaced homemaker who, while married owned a home with his or her spouse, or resided in a home owned by his or her spouse.
  - 2. A cooperative member, defined as a family of which one or more members owns membership shares in a cooperative (housing owned by a

corporation or association, where a member has the right to reside in a particular unit, and to participate in management of the housing).

3. A family of which a family member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and usable by such person.

C) Minimum Income Requirements:

1. At commencement of homeownership assistance the family must demonstrate that the annual gross income, as determined by the New Albany Housing Authority in accordance with 24 CFR 5.609, of the adult family members who will own the home when homeownership assistance begins is not less than the Federal minimum hourly wage multiplied by 2000 hours.
  - a. In the case of disabled families, the monthly Federal Supplemental Security Income (SSI) benefit for an individual living alone multiplied by twelve.
2. Except in the case of an elderly or disabled family, the New Albany Housing Authority will not count any welfare assistance received by the family in determining minimum annual income under this section.
  - a. Welfare assistance is defined as 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.
  - b. The disregard of welfare assistance income only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance, but does not affect:
    - i. The determination of income-eligibility for admission to the voucher program;
    - ii. Calculation of the amount of the family's total tenant payment (gross family contribution);
    - iii. Calculation of the amount of homeownership assistance payments on behalf of the family.

- c. In case of an elderly or disabled family, the New Albany Housing Authority will count welfare assistance in determining minimum annual income.

D) Employment Requirement:

- 1. The family must demonstrate that one or more adult family members who will own the home at commencement of homeownership assistance:
  - a. Is currently employed on a full-time basis, defined as not less than an average of 30 hours per week; and
  - b. Has been continuously employed for one year prior to commencement of homeownership assistance for the family.
    - i. Successive employment during the year may be counted.
    - ii. Self-employment in a business may be counted.
  - c. This employment requirement does not apply to an elderly family or a disabled family. Furthermore, if a family, other than an elderly family or a disabled family, includes a person with disabilities, the New Albany Housing Authority will grant an exception from the employment requirement if the New Albany Housing Authority determines that an exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by a person with disabilities.

- E) Homeownership assistance will not be provided for a family that includes an individual who was an adult member of a family at the time when such family received homeownership assistance and defaulted on a mortgage securing debt incurred to purchase the home.

**Application Procedure for Homeownership Option**

To apply for a homeownership voucher, the family must complete a Homeownership Option Application. Section 8 staff will review the homeownership application to determine initial eligibility. Information provided in the application must be verified according to the verification procedures outlined in Chapter 3 of this Administrative Plan. The applicant will be notified in writing when a determination of initial eligibility is made. If the family is determined to be eligible, an appointment will be scheduled with Section 8 staff to review the information provided in the application and determine final eligibility.

Upon determination of final eligibility, the appropriate Section 8 staff will refer the family for a homebuyer readiness assessment.

Prior to purchase of a home, the family must complete a homebuyer readiness assessment and a comprehensive homeownership education program including classroom or workshop training and individual counseling.

### **Time Frame for Utilization**

Upon approval for the program, a family shall have a term of eight months to execute and close on a proposed sales agreement with the requisite components to the New Albany Housing as long as within four months of the briefing the client has obtained a good faith estimate from a participating lender. During a participant's search for a home to purchase, rental assistance shall continue pursuant to a New Albany Housing Authority rental program.

A family may request one additional term of four months for an overall total of one year. In order to request the final extension, a client must at least have obtained an approval letter from a participating lender. An update appointment and eligibility determination is required before the additional term is granted. The client should make the extension request at least thirty (30) days before the current Homeownership voucher expires.

If a participant is unable to purchase the home within the time permitted, the New Albany Housing Authority shall continue the family's participation in a New Albany Housing Authority rental program.

Additional time shall be granted to a disabled family as a reasonable accommodation if justified by the family's actions and/or market place conditions.

### **Portability and Moves with Continued Assistance**

Families that are determined eligible for homeownership assistance may exercise the homeownership option outside of the New Albany Housing Authority's jurisdiction if the receiving public housing authority is administering a Section 8 homeownership program and is accepting new families into its Section 8 homeownership program. All other portability procedures as described in Chapter 8 of this Administrative Plan apply to the homeownership option, except those referring to lease or tenancy.

If the family ports in and the New Albany Housing Authority is the receiving PHA then the family must attend the briefing and counseling sessions required by the New Albany Housing Authority. The New Albany Housing Authority will determine whether the financing for, and the physical condition of the unit are acceptable. The New Albany Housing Authority will promptly notify the initial PHA if the family has purchased an eligible unit, or if the family is unable to purchase a home within the maximum time established.

A family receiving homeownership assistance may move to a new unit with either voucher rental assistance or voucher homeownership assistance. The New Albany Housing Authority will not commence continued tenant-based assistance for occupancy of the new unit so long as any family member owns any title or other interest in the prior home. However, when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual

assault, or stalking, and the move is needed to protect the health or safety of the family or family member (or any family member has been the victim of sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move), such family or family member may be assisted with continued tenant-based assistance even if such family or family member owns any title or other interest in the prior home.

The New Albany Housing Authority prohibits more than one move by the family in a one-year period for those assisted under homeownership option.

**Eligible Units**

The New Albany Housing Authority will determine that the unit satisfies all of the following requirements:

- A) In order to be eligible for assistance, the unit cannot be:
  - 1. A public housing or Indian housing unit;
  - 2. A unit receiving project-based assistance;
  - 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 or private institutions;
  - 6. Homeownership will not be provided for the purchase of a home where the family will not own fee title to the real property on which the home is located, but only if:
    - a. The home is located on a permanent foundation; and
    - b. The family has the right to occupy the home site for at least forty years.
- B) The unit is either under construction or already existing at the time the family enters into the contract of sale.
- C) The unit is either a one-unit property or a single dwelling unit in a cooperative or condominium.

**Contract for Sale, Inspection, Disapproval of an Owner**

- A) Participants in the homeownership program must initially complete a purchase agreement with the owner of the property to be purchased. The purchase agreement must contain the following:
1. Specify the price and other terms of sale by the seller to the purchaser:
  2. The purchase agreement must contain the following seller certification:  
"The seller certifies that they are not debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24."
  3. Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.
  4. Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser.
  5. Provide that the purchaser is not obligated to pay for any necessary repairs.
- B) The New Albany Housing Authority must inspect the unit and determine that the unit passes HQS.
- C) The unit must be inspected by an independent professional inspector selected by and paid for by the family. This inspection will only occur after the HQS inspection has passed.
1. An American Society of Home Inspectors (ASHI) or a National Association of Certified Home Inspectors (NACHI) regular member must conduct the independent inspection. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems.
  2. The New Albany Housing Authority will not require the family to use an inspector selected by the New Albany Housing Authority. The independent inspector may not be a New Albany Housing Authority employee or contractor.
  3. The inspector must provide a copy of the inspection report to both the family and the New Albany Housing Authority. Homeownership assistance will not begin until the New Albany Housing Authority has reviewed the report. The New Albany Housing Authority retains the right to disqualify the unit for inclusion in the homeownership program based on either the HQS inspection or the professional inspection report.

- D) The seller has not been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.

**Financing and other related information**

Mortgage instruments must meet all of the following criteria:

- A) The family is solely responsible for obtaining financing. All loans must meet FHA mortgage insurance credit underwriting requirements. The New Albany Housing Authority will review lender qualifications, loan terms, or other debt to determine that the debt is affordable.
- B) The New Albany Housing Authority establishes a minimum homeowner down payment requirement of at least three percent of the purchase price for a participant in its Section 8 homeownership program, and requires that at least two percent (2%) of the purchase price come from the family's personal resources.
- C) There is no prohibition against using local or State Community Development Block Grant (CDBG) or other subsidized financing in conjunction with the homeownership program.
- D) The New Albany Housing Authority prohibits:
  - 1. Owner financing;
  - 2. Balloon payment mortgages.
  - 3. Adjustable Rate Mortgages (ARM)
- E) Voucher payments are not guaranteed. Payment may be terminated because of insufficient funds from HUD to continue the program. Voucher payments may also be terminated for failure to meet New Albany Housing Authority and HUD regulations.
- F) The New Albany Housing Authority will file the necessary documentation to require loan servicers of these loans to inform the New Albany Housing Authority of any late payments and missed payments as soon as they occur. Lenders are also required to inform the New Albany Housing Authority of any changes in servicing institutions or purchase of loan by another institution.
- G) Families must obtain specific approval for the use of a voucher for a mortgage payment based on documents submitted:
  - 1. Copy of signed purchase agreement;
  - 2. Copy of good faith estimate from first mortgage lender;
  - 3. Copy of HUD universal mortgage loan application from first mortgage lender;

4. Copy of independent inspection report;
5. Copy of required home inspections and verification that any deficiencies found in the home have been noted and arrangements negotiated to correct the deficiencies;
6. Copy of first three pages of Appraisal;
7. Copy of Disclosure Statement.

The New Albany Housing Authority will then issue a letter of intent, a copy of which will be sent to the lender to confirm that the proposed financing package has been approved.

- H) Families and lenders must submit copies of specific documents prior to the New Albany Housing Authority preparation of its lien document for closing:
1. Settlement statement;
  2. Copy of Title Report;
  3. Written verification that deficiencies in the home have been corrected in compliance with HUD regulations, signed by contractor or person who completed the work.
  4. Signed HQS inspection from New Albany Housing Authority verifying that the home meets the HQS standards.
- I) Families and lenders must submit copies of specific documents to initiate the payment of the homeownership assistance:
1. A copy of the signed, filed New Albany Housing Authority lien must be filed with the New Albany Housing Authority after closing. This will authorize the payment of homeownership assistance.
- J) At closing the Head of Household will be signing the mortgage documents. Should the Head of Household choose to add another name to the mortgage and deed he or she will do so at their own discretion and will assume full responsibility of that action.

### **Length and Continuation of Assistance**

Section 8 assistance will only be provided for the months the family is in residence in the home. Except for families that are elderly or disabled, the maximum length of time a family may receive homeownership assistance is 15 years if the initial mortgage incurred is 20 years or longer. In all other cases, the maximum length of time is ten years.

### **Continued Assistance Requirements and Family Obligations**

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the New Albany Housing Authority may not continue assistance

after the month the family moves out. The family is not required to refund to the New Albany Housing Authority the homeownership assistance for the month when the family moves out.

A) Family Obligations:

1. The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of the debt):
  - a. The family must notify the New Albany Housing Authority within ten days of missing a mortgage payment, or any debt incurred to purchase the home.
  - b. The family must attend foreclosure counseling within 30 days of missing a mortgage payment or homeownership assistance may terminate.
2. The family must reside in the unit, and must be the family's only residence. The family must provide any information or certification requested by the New Albany Housing Authority to verify that the family is living in the unit, and must notify the New Albany Housing Authority, in writing of any absence from the unit longer than 30 days. The family must cooperate with the New Albany Authority for the purpose of verifying that the family resides in the unit.
3. The family must supply required information necessary in the administration of the program to the New Albany Housing Authority, including social security numbers, release of information forms, evidence of citizenship or eligible immigration status. The family must comply with requirements for annual or interim reexamination of family income or family composition, and provide any information required for verification.
4. In addition, the family must supply any information required by the New Albany Housing Authority concerning:
  - a. Any mortgage or other debt incurred to purchase the home, and any refinancing of debt (including information needed to determine whether the family has defaulted on the debt, and the nature of any such default), and information on any satisfaction or payment of the mortgage debt;
  - b. Any sale or other transfer of any interest in the home; or
  - c. The family's homeownership expenses.
5. The composition of the assisted family residing in the unit must be approved by the New Albany Housing Authority. The family must promptly inform the New Albany Housing Authority of the birth, adoption or court-awarded custody of a child. The family must request NAHA

approval to add any other family member as an occupant of the unit. No other person may reside in the unit (except for a foster child or live-in aid). The family must notify NAHA if any family member no longer resides in the unit within 10 days of the change.

6. 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 as a residence by members of the family.
7. The family must not sublease or let the unit.
8. The family must not assign or transfer the unit.
9. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
10. The members of the family may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity or the premises.
11. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.
12. An assisted family, or members of the family, may not receive Section 8 homeownership assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative federal, state or local housing assistance program.
14. During the time the family receives homeownership assistance, no family member may have any ownership in any other residential property.
15. Before commencement of homeownership assistance, the family must execute a statement of family obligations agreeing to comply with all family obligations under this option.

### **Homeownership Assistance Payment**

After the homeownership housing assistance payments begin, NAHA will perform annual reexaminations, and interim adjustments (when family income decreases) in accordance with the policies set forth in the rental voucher portion of the Section 8 administrative plan.

- A) While the family is residing in the home, NAHA shall pay a monthly homeownership assistance payment on behalf of the family that is equal to the lower of:

1. The payment standard minus the total tenant payment; or
  2. The family's monthly homeownership expenses minus the total tenant payment.
- B) The payment standard for the family shall be the lower of:
1. The payment standard for the family unit size;
  2. The standard for the size of the home.
- C) The payment standard for the family is the greater of:
1. The payment standard at the commencement of homeownership assistance for occupancy of the home; or
  2. The payment standard at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for the occupancy of the home.
- D) NAHA will use the same payment standard schedule, payment standard amounts, and subsidy standards for the homeownership option as for the rental voucher program.
- E) Homeownership expenses will include:
1. Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home.
  2. Real estate property taxes and public assessments on the home.
  3. Home insurance.
  4. The New Albany Housing Authority utility allowance schedule.
  5. The New Albany Housing Authority allowance for maintenance, major repairs and replacements equal to 3% of the amount of the monthly mortgage payment; and
  6. Principal and interest on mortgage debt incurred to finance costs for major repairs replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to make the home accessible for that person, if NAHA determines that allowance of such costs is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
- F) At the discretion of the New Albany Housing Authority, homeownership payments will be paid either to a lender on behalf of the family, or directly to the family.

- G) Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family.

### **Down payment assistance grant**

If approved by HUD and the family chooses to take the single down payment assistance grant they will not be eligible for the monthly assistance payment from the New Albany Housing Authority.

To be eligible to receive the down payment assistance grant, the family must meet all eligibility requirements for the homeownership option and must have been receiving tenant-based rental assistance for one-year prior to receiving the down payment grant.

The maximum down payment grant "May not exceed the amount that is equal to the sum of the assistance payments that would be made during the first year of assistance on behalf of the family, based on the income of the family at the time the grant is to be made." The amount paid by the New Albany Housing Authority on behalf of the family will not exceed 12 times the payment standard minus the total tenant payment (TTP). Homeownership expense will not be considered in making this determination. The down payment assistance grant will be paid at the time of closing on a home and must be applied toward the purchase price of the home.

A family that has received a down payment assistance grant may apply for and receive tenant-based rental assistance, in accordance with program requirements and the requirements set forth in the rental voucher portion of this administrative plan. However, the New Albany Housing Authority will not commence rental assistance so long as any member of the family owns any title or other interest in the home purchased with homeownership assistance. Further, 18 months must have passed since the family's receipt of the down payment assistance grant.

### **Lease-to-Purchase**

Lease-to-Purchase agreements are considered rental property and subject to the normal tenant-based Section 8 rental rules. All regulations of the homeownership program will be in effect at the time that the family opts to exercise the purchase.

### **Denial or Termination of Assistance**

At any time, the New Albany Housing Authority may deny or terminate homeownership assistance in accordance with policies set forth in Chapter 15 of this Administrative Plan.

The New Albany Housing Authority may deny or terminate assistance for violation of family obligations as set forth in **Continued Assistance Requirements and Family Obligations**.

The New Albany Housing Authority will terminate assistance for any family member receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage securing debt incurred to purchase the home, or any refinancing of such debt. The New Albany Housing Authority, at its discretion, may permit the family to move to a new unit with continued voucher rental assistance. However, such permission will be denied if:

- A) The family defaulted on an FHA-insured mortgage; and
- B) The family fails to demonstrate that:
  - 1. The family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and
  - 2. The family has moved, or will move, from the home within the period established or approved by HUD.

### **Informal Hearings**

The New Albany Housing Authority will provide the opportunity, for an informal hearing to program participants who are being terminated from the program because of the family's action or failure to act. NAHA will:

- 1. Send a written notice as to the reason(s) for the action; and
- 2. Inform the participant that he or she may request an informal hearing, in writing, within ten days of the notice. If the participant requests a hearing, the assistance will not be terminated until the final decision is made.

When a participant requests a hearing, NAHA will schedule the hearing promptly and notify the participant of the date and time of the hearing. Prior to the hearings the participant will be given an opportunity to examine and copy the documents pertinent to the family's termination. NAHA must be given the same opportunity to examine any family documents that are directly related to the hearing, and to copy them at its own expense.

A hearing officer, as designed in Chapter 17 of this Administrative Plan, will conduct the hearing. The hearing officer will be someone other than the person who made the decision to terminate or a subordinate of this person. A lawyer or other representative, at the family's expense may represent the family. The family will be given opportunity to present evidence, and to question any witnesses. The hearing officer will issue a written decision within ten days, stating reasons for the decision.

## 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, medical expenses for elderly families, disability expenses, and child care 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 110% of 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 Choice 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 Choice 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 recertifications when a change in a household's circumstances warrants 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, which 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, to:

- 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.

**Mutual housing** is included in the definition of "cooperative".

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

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

**Net family assets:**

- 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 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.

**Rental Assistance Demonstration (RAD):** HUD program through which units can be converted from Public Housing units to either Project-based Housing Choice Voucher units or Project-based Rental Assistance units.

**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]*

**Violence Against Women Act:** Title VI of this law requires that public housing agencies and property owners renting to families with Section 8 Housing Vouchers to not deny access or evict victims of domestic violence related to their being abused; increase victim confidentiality and require public entities to consider the needs of victims of domestic violence in their housing policies.

**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 states the obligations of the family under the program.

**Voucher holder:** A family holding a voucher with unexpired search 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

CPS Child Protective Services

CWA Child Welfare Agency

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

PHA Public Housing Agency

TTP Total Tenant Payment

VAWA Violence Against Womens Act

## **Addendum to the Section 8 Administrative Plan**

### **PROJECT-BASED VOUCHER (PBV) PROGRAM**

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The project-based voucher (PBV) program allows public housing authorities that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20% of its voucher program budget authority and attach the funding to specific units rather than using it for tenant-based assistance.

The New Albany Housing Authority's ("NAHA's") will operate a PBV program using up to 20 percent of its ACC authorized units for project-based assistance. In addition, NAHA may project-base units not subject to the 20 percent cap in accordance with HUD regulations and requirements.

The PBV program is subject to the regulations at 24 CFR part 983 (the "Regulations"), which includes regulations governing policies and procedures that are not specified in this Administrative Plan. In the event of any inconsistency between the Regulations and this Administrative Plan, the Regulations shall govern.

In addition to the policies and procedures stated below, the Regulations and HUD Notice PIH 2017-21 (HA) (the "HOTMA Notice), NAHA's PBV program is subject to most of the requirements of the Housing Choice Voucher Program, as specified in this Administrative Plan and in other HUD regulations.

For purposes of this addendum and NAHA's PBV program, the term "project" shall have the meaning defined at 24 CFR 983.3(b) as a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land. *Contiguous* in this definition includes "adjacent to," as well as touching along a boundary or a point.

#### **A. NAHA's PBV COMMITMENTS AND PRIORITIES**

NAHA's PBV program is designed to ensure that PBV assistance is used to support goals that could not be equally achieved through the use of tenant-based voucher assistance. NAHA's PBV program is committed to the following priorities:

1. Expand the supply of affordable housing and increase the affordable housing choices of residents within the jurisdiction
2. Support projects which further revitalize neighborhoods, promote the deconcentration of poverty and generally provide increased housing and economic opportunities.
3. Work with the community to identify and serve populations with particular housing needs, including but not limited to the provision of supportive services to promote self-sufficiency and supportive housing for families with disabilities.
4. Where the PHA has an ownership interest, to improve, develop, or replace a public housing property or site.

## **B. PROPOSAL SUBMISSION AND SELECTION**

### **Request for Proposals Process**

NAHA will select PBV proposals through a public Request for Proposals (RFP) process.

NAHA's PBV RFP will be advertised in a manner to provide broad public notice of the opportunity to offer PBV proposals for consideration by NAHA. The public notice procedures will include publication of the general notice in the News and Tribune and other local and regional newspapers if appropriate to achieve general circulation.

The public notice of the PBV RFP will specify the submission deadline. The public notice will inform owners or developers seeking project-based assistance of the availability of the full RFP document at NAHA's main offices which are located at 300 Erni Avenue, New Albany, IN 47150.

The full RFP document will provide detailed information about proposal submission and selection procedures and will be available upon request of interested parties at NAHA's main offices.

Property owners may submit PBV proposals in accord with the proposal submission guidelines stated in the full RFP document. Proposals will be selected according to explicit criteria specified in the full RFP document, following the selection criteria stated below. Under no circumstances will NAHA's RFP selection criteria limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.

NAHA, NAHA-affiliates, or developers engaged by NAHA to redevelop NAHA property, may submit PBV proposals and be awarded vouchers under any RFP published by NAHA or be awarded vouchers if the proposed project was competitively selected under another federal, state, or local housing assistance program in accordance with 24 CFR 983.51(b)(2). Proposals submitted by NAHA, a NAHA-affiliate, or developer engaged by NAHA to redevelop public housing, must conform to the submission guidelines stated in the full RFP document and shall be evaluated under the same selection criteria as all other proposals. No NAHA, or NAHA-affiliate, employee responsible for preparing the response to the RFP shall be involved in the evaluation or selection of proposals or the award of the vouchers. Provided, however, that any selection process for NAHA-owned units shall be approved by HUD in accordance with 24 CFR Part 983 and the HOTMA Notice.

### **Alternative Competitive Processes**

In lieu of the above RFP process, HUD regulations permit NAHA to select a PBV proposal for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals, where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance,

or in other circumstances as allowed by the regulations or other PBV requirements.

Proposals for PBV assistance which have been independently selected for housing assistance as described above may be submitted to NAHA on a rolling basis. NAHA's selection of proposals under the alternative competitive processes may be contingent upon the owner providing additional information required according to NAHA's selection requirements and HUD and NAHA requirements for PBV assistance. NAHA will inform owners of any additional requirements at the time their proposals are submitted. Housing owned by NAHA, a NAHA-affiliate, or a developer engaged by NAHA may also be awarded vouchers under this Section. Provided, however, that any selection process for NAHA-owned units shall be approved by HUD in accordance with 24 CFR Part 983.

### **Non-Competitive Selection**

NAHA can attach PBV assistance to units in a project in which NAHA has an ownership interest or over which NAHA has control without competitive selection in accordance with 24 CFR Part 983.51(b) and the HOTMA Notice, and provided that such projects meet the following criteria and are further described herein.

- (1) An ownership interest means that NAHA or its officers, employees, or agents are in an entity that holds any direct or indirect interest in the project in which the units are located, including, but not limited to, an interest as: titleholder; lessee; stockholder; member, or general or limited partner; or member of a limited liability corporation. NAHA may also be the lessor of the ground lease for the land upon which the PBV project to improve
- (2) NAHA is engaged in an initiative to improve, develop, or replace the public housing properties or sites. The public housing properties or sites may be in the public housing inventory or they may have been removed from the public housing inventory through any available legal removal tool within 5 years of the date on which NAHA entered into the AHAP or HAP pursuant to the non-competitive selection.
- (3) If NAHA plans rehabilitation or new construction, a minimum threshold of \$25,000 in hard costs per-unit is required.
- (4) If NAHA plans to replace public housing by attaching PBV assistance to existing housing in which NAHA has an ownership interest or over which NAHA has control, then the \$25,000 per-unit minimum threshold does not apply as long as the existing housing substantially complies with HUD's housing quality standards. For purposes of the preceding sentence, to "substantially comply with HUD's housing quality standards" means that there are deficiencies noted in an inspection that do not affect the comfort, safety, health, or usability of the property or any feature of the property and that can be corrected with normal effort within 30 days.

NAHA plans to improve, develop or replace a public housing property or site at the following selected projects:

Projects	Work Planned	# of Units
Beechwood Court	NAHA has received approval from the HUD Special Applications Center (SAC) to dispose of this certain public housing development located at 210 Kelley Drive, New Albany, Indiana. The property will be ground leased by NAHA to a limited partnership or limited liability company in which NAHA holds an interest. The property will be rehabilitated into 83 low-income housing tax credit qualified units for low-income persons and NAHA plans to provide 83-project based vouchers to the project.	83 Units

Any selection process for NAHA-owned units shall be approved by HUD in accordance with 24 CFR Part 983 and the HOTMA Notice.

### **PHA-Owned Units**

A “PHA- owned” unit may be assisted under the PBV program only if the HUD field office or other HUD approved independent entity reviews the selection process and determines that the PHA-owned units were appropriately selected based on the selection procedures specified in the Administrative Plan. If NAHA selects a proposal for housing that is owned or controlled by NAHA, NAHA must identify the entity that will review the NAHA proposal selection process and perform specific functions with respect to rent determinations and inspections. The independent entity that performs these program services may be the unit of general local government for the authority’s jurisdiction (unless NAHA is itself the unit of general local government or any agency of such government) or another HUD-approved public or private independent entity.

NAHA must include in its submission to the HUD field office a joint PHA and independent entity certification, which certifies that the PHA and the proposed entity have no legal, financial, or any other connection that could cause either party to be improperly influenced by the other and that the proposed independent entity will perform its responsibilities as it relates to the NAHA-owned units in an unbiased manner.

### **Selection Criteria**

Proposals will be selected according to the following selection criteria:

- The housing must promote one of NAHA’s priorities for its PBV program;
- The proposal must comply with all HUD program regulations and requirements;
- The property must be eligible housing in accordance with 24 CFR 983.53 and 983.54.

- The proposal must comply with the HUD cap on PBV units per building at 24 CFR 983.56; The housing site must meet the site selection standards detailed at 24 CFR 983.57;
- Proposals for new construction or rehabilitation projects must demonstrate capacity, experience, and successful outcomes in prior projects that indicate their ability to complete the construction work effectively and within the proposed schedule;
- Proposals for all housing must demonstrate capacity, experience, and successful outcomes in property management, particularly management of housing targeted to low income persons and families;
- Proposals for supportive housing must demonstrate the capacity, experience, and successful outcomes of the supportive services provider that indicate its ability to effectively provide sufficient supportive services. More detailed information about minimum supportive services guidelines is provided later in this addendum;
- Proposals must provide evidence of sufficient financing commitments (for construction, operations, and supportive services if applicable) to demonstrate the project's long-term viability; and
- The owner is good standing with HUD and NAHA.

NAHA reserves the right to reduce the number of project-based units that have been requested.

### **Public Notice and Review of NAHA Proposal Selection**

NAHA will provide public notice of PBV proposal selections, including publication of public notice in a local newspaper of general circulation, such as the News and Tribune, and other means designed and actually operated to provide broad public notice.

NAHA will notify selected owners within 60 calendar days of its final decision to select the owner's proposal for PBV. NAHA will maintain records of its evaluation and selection process which will be available upon request to the public. Such records will be maintained for a one year period. NAHA will perform a site inspection prior to owner selection to confirm site selection standards.

NAHA will make documentation available for public inspection regarding the basis for NAHA's selection of a PBV proposal for one month following publication of the notice of owner selection at NAHA's offices during normal business hours. NAHA will not make available sensitive information that is privileged, such as financial statements and similar information about the owner.

### **C. SITE SELECTION STANDARDS**

NAHA will only select proposals which demonstrate consideration of and compliance with the site selection standards at 24 CFR 983.57, as such may be amended or revised, which shall ensure that selected proposals will meet the above program goals of deconcentrating poverty, expanding housing and economic opportunities, and otherwise providing needed housing

support.

In accordance with 24 CFR 983.57, NAHA will consider the following:

- (1) Whether the census tract in which the proposed PBV development will be located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- (2) Whether a PBV development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
- (3) Whether the census tract in which the proposed PBV development will be located is undergoing significant revitalization;
- (4) Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement;
- (5) Whether new market rate units are being developed in the same census tract where the proposed PBV development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area;
- (6) If the poverty rate in the area where the proposed PBV development will be located is greater than 20 percent, NAHA will consider whether in the past five years there has been an overall decline in the poverty rate;
- (7) Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located;
- (8) The site is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d(4)) and HUD's implementing regulations at 24 CFR part 1; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601-3629); and HUD's implementing regulations at 24 CFR parts 100 through 199; Executive Order 11063 (27 FR 11527; 3 CFR, 1959-1963 Comp., p. 652) and HUD's implementing regulations at 24 CFR part 107. The site must meet the section 504 site selection requirements described in 24 CFR 8.4(b)(5);
- (9) The site meets the HQS site standards at 24 CFR 982.401(l).

NAHA will review and evaluate specific proposal types according to the following criteria:

**Existing and rehabilitated housing site and neighborhood standards:**

NAHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- (1) Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site;

- (2) Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- (3) Be accessible to social, recreational, educational, commercial, health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents; and
- (4) Be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive.

### **New construction site and neighborhood standards**

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- (1) Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and have adequate utilities and streets available to service the site.
- (2) Site must not be located in an area of minority concentration, except as permitted under 24 C.F.R. 983.57(e)(3), and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- (3) Site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- (4) Neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concentrated program to remedy the undesirable conditions.
- (5) Housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- (6) Except for new construction, housing designed for elderly persons, travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower income workers, must not be excessive.

### **D. SUPPORTIVE SERVICES GUIDELINES AND REQUIREMENTS**

Pursuant to HUD regulations and the HOTMA Notice, project-based assistance will ordinarily be limited to 25 units or 25% of the units contained within the proposed project (the "Project Cap").

However, for projects housing elderly families or for projects providing supportive services, each unit that is occupied by elderly or families eligible for receiving qualified supportive services available to all families receiving PBV assistance in the project shall be an “excepted unit” and shall not apply towards the Project Cap. Furthermore, buildings with fewer than four (4) units are excluded from the Project Cap.

The following are units that are exempt from the cap on the number of PBV units in a project:

- Units exclusively servicing elderly families.
- Units housing households eligible for supportive services available to all families receiving PBV assistance in the project.

In addition, units in projects that are in a census tract with a poverty rate of 20 percent or less are subject to a higher (40%) project cap.

With respect to PBV units that were excepted from the income mixing requirement under the pre-HOTMA exception for families with a household member with disabilities, NAHA will continue to operate under the terms of that existing contract. In other words, the pre-HOTMA exception for families with a household member with disabilities continues to apply for those units and NAHA would refer families with a household member with disabilities to the owner to fill vacancies for units covered by this pre-HOTMA exception under the HAP contract and in accordance with the HOTMA Notice.

### **Qualifying Supportive Services**

In order for the supportive services exception to apply, the project must make supportive services available to all assisted families in the project, and the family must be eligible for one or more services. The family may, but is not required to, participate in the services.

For HAP Contracts effective after April 18, 2017, the following types of supportive services made available to all assisted residents in the project will be considered for the project cap exemption:

- Childcare – childcare of a type that provides sufficient hours of operation and serves an appropriate range of ages;
- Transportation – transportation necessary to enable a participating family to receive available services, or to commute to their places of employment;
- Education – remedial education; education for completion of secondary or post-secondary schooling;
- Employment – job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the contract of participation;
- Personal Welfare – substance/alcohol abuse treatment and counseling;
- Household skills and management – training in homemaking and parenting skills; household management; and money management
- Other services – any other services and resources, including case management,

reasonable accommodations for individuals with disabilities, which NAHA determines to be appropriate in assisting families to achieve economic independence and self-sufficiency.

The supportive services offered at the property must be provided on a regular frequency (daily, weekly, monthly), and must be sufficiently comprehensive to achieve the intended outcomes of the supportive services.

It is not necessary that the above services be provided by or at the project, but the services must be reasonably available to the families receiving PBV assistance in the project and designed to help the families in the project achieve self-sufficiency or live in the community as independently as possible. A PHA may not require participation in the supportive service as a condition of living in the excepted unit.

#### **E. WAITING LISTS**

NAHA will utilize one central PBV waitlist for all PBV developments other than Mark Elrod Tower which will have its own site-based waiting list. Any applicant on the PBV waitlist at the time of the first RAD conversion will have absolute priority for admission to the new PBV development.

NAHA will offer to place applicants who are listed on the waiting list for tenant-based assistance or Public Housing assistance on the waiting list for PBV assistance in accordance with 24 CFR 983.251(c)(2). These applicants will keep their original date and time of application.

NAHA will open and close the waiting list pursuant to the procedures outlined in the Administrative Plan.

#### **F. WAITING LIST PREFERENCES**

NAHA may establish separate waiting list preferences for each PBV project. These preferences may include those for elderly or disabled families, or preferences related to supportive housing programs.

Preferences may include those outlined in Section 5.2 the Administrative Plan.

For existing housing, any in-place tenant that qualifies will receive the absolute preference for in-place residents at 24 CFR 983.251(b).

Any preferences that would be necessary to the operation of the project or required by a funding source must be disclosed in the proposal.

#### **Supportive Housing Related Preferences**

If PBV units include special accessibility features for persons with disabilities, NAHA will first

refer families who require such accessibility features to the owner. For other units that are designated to receive supportive services, NAHA may give preference to disabled families who need services offered at a particular project. Project owners may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible persons with disabilities who may benefit from services provided in the project.

Only families that meet the following limits will be eligible for any supportive housing preference:

- Families (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain themselves in housing
- Families that without appropriate supportive services will not be able to obtain or maintain themselves in housing
- Families for whom such services cannot be provided in a nonsegregated setting.

Disabled residents shall not be required to accept the particular services offered at the project.

NAHA is prohibited from granting preferences to persons with specific disabilities (see 24 CFR 982.207(b)(3)),

#### **G. APPLYING FOR ADMISSION**

The process for applying for admission to the PBV program is not different than the process for applying for admission to the tenant-based program, which is set forth in NAHA's Administrative Plan. NAHA may place families referred by the PBV owner on its PBV waiting list.

At the time of the application, NAHA will provide applicants with the opportunity to be placed on the tenant-based waiting list if open, or any open site-based waiting lists.

#### **H. TENANT SELECTION**

When notified of a vacancy in a PBV unit, NAHA will refer tenants according to the following procedures:

NAHA will select applicants from the PBV waiting list with the highest preference point total who:

Qualified for preference(s) at the time of application; and Continue to qualify for preference(s) at the time of admission.

Applicants who have the same number of preference points will then be selected based upon earliest date and time of application.

NAHA reserves the right to house current PH/PBV residents in the NAHA programs by placing current residents on the program wait list. Such relocation will only require current

50058, resident still must meet program requirements.

## **I. TENANT SCREENING**

NAHA's procedures for tenant screening for the PBV program will be the same as the tenant-based applicants, which are provided in NAHA's Administrative Plan with the following exceptions: NAHA will screen PBV applicants for tenant suitability which will include tenancy background and credit checks.

NAHA's policy for providing information to owners about families referred to PBV units will be compliant with 24 CFR § 983.255 and is not different than NAHA's policies for tenant-based applicants, which are provided in NAHA's Administrative Plan.

## **J. PROCEDURES FOR FAMILIES OCCUPYING A UNIT OF THE WRONG SIZE OR AN ACCESSIBLE UNIT WHOSE ACCESSIBILITY FEATURES ARE NOT REQUIRED BY THE FAMILY**

If a family is determined by NAHA to occupy a wrong-sized unit, or a unit with accessibility features that the family does not require (and such unit is needed by a family that requires the accessibility features) then NAHA must promptly notify the family and the project owner of this determination and must offer continued assistance in another appropriately sized or accessible unit when one is available.

Continued assistance after notification may include, but is not limited to the following options:

- PBV assistance in an appropriate-sized unit (in the same building or in another building);
- Other project-based housing assistance (including occupancy of a public housing unit)
- Tenant-based rental assistance under the voucher program; or
- Other comparable public or private tenant-based assistance (e.g., under the HOME program).

For families who have been notified that they occupy a wrong-size unit, and offered continued assistance:

- If NAHA offers the family the opportunity to receive tenant-based rental assistance under the voucher program, NAHA must terminate the HAP payments for a wrong-sized unit at expiration of the term of the family's voucher (including any extensions granted by NAHA).
- If NAHA offers the family the opportunity for another form of continued housing assistance (as provided above), and the family does not accept the offer, does not move out of the PBV unit within a reasonable time, or both, NAHA will terminate the HAP payments for the wrong-sized unit, at the expiration of a reasonable period of time.
- A reasonable period of time is defined as the expiration date of the current lease, or if the family is considered no longer eligible within 30 days of the lease expiration, then a reasonable time will be the end of the month following the lease expiration date.

## **K. RIGHT TO MOVE**

A family residing in a PBV unit who is in compliance with their lease and in good standing with NAHA's HCV program may terminate the assisted lease any time after the first year of occupancy and request comparable tenant-based assistance from NAHA.

Should a family terminate its PBV lease and request alternate assistance, NAHA shall offer the family the opportunity for continued tenant-based rental assistance, or if such assistance is not immediately available upon termination of the lease, NAHA will give the family priority to receive tenant-based rental assistance at the next available opportunity for such tenant-based rental assistance. If tenant based rental assistance is not immediately available then families exercising this right to a tenant based voucher will be placed on a wait list which will be ranked based upon date and time of their request.

If the family terminates the assisted lease before the end of the first year of occupancy, the family will not be entitled to tenant-based assistance or priority for such assistance under this section. However, the family may reapply for tenant-based assistance or other project based assistance as otherwise provided in this Administrative Plan.

NAHA has established a turnover cap of 75% of vouchers turned during the year for persons who wish to convert their PBV assistance to tenant based voucher assistance. NAHA will modify the cap as needed to insure consistency with the choice mobility provisions of RAD.

## **L. PBV HAP CONTRACT: INITIAL TERM AND EXTENSIONS**

- (1) Existing Housing. For existing housing, NAHA will execute the HAP contract after the selection of the owner's proposal, environmental review and the successful completion of an HQS inspection.
- (2) Newly Constructed or Rehabilitated Housing. For new construction or rehabilitated housing, the HAP contract will be executed after all the assisted units are inspected and it is determined that the units have been completed in accordance with the AHAP and all required evidence of completion is accepted by NAHA.
- (3) Term of HAP Contract. NAHA may enter into a new PBV HAP contract with an owner with an initial term of up to 20 years. The length of the initial term of the HAP contract may not be less than one year.
- (4) Maximizing the initial term. For any PBV HAP contract that is still within the initial term, NAHA and the owner may mutually agree to extend the contract for up to the maximum initial term of 20 years. However, if the HAP contract is no longer in the initial term, the PHA and owner *cannot* extend the initial term, although they may enter into an extension beyond the initial term (see below).
- (5) Extension of the term. The PHA may extend the term of the contract for up to 20 years at any time during the initial HAP contract term, provided the PHA

determines an extension is appropriate to continue providing affordable housing for low-income families. The PHA may extend the term multiple times at any time during the term of the contract, provided that extension beyond the initial term does not exceed 20 years, cumulatively. (See examples below.)

- (6) Subsequent extensions beyond 20 years. NAHA may further extend the HAP contract beyond 20 years from the end of the initial term as long as the following conditions are met:
  - a. NAHA must determine such extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities;
  - b. This determination must be made no earlier than 24 months prior to the expiration of the HAP contract.
  - c. The term of the new extension may not exceed 20 years.

Regardless of the length of the extension, all such extensions must meet these same conditions.

- (7) NAHA / “PHA-owned” units. In the case of PHA-owned units, any changes to the term of an initial HAP contract or any contract extension must be agreed upon by the PHA and the independent entity, in accordance with 24 CFR §983.59.
- (8) Insufficient Funding. The term of NAHA’s contractual commitment is subject to the availability of sufficient appropriated funding. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units for the full term of the HAP contract, NAHA may terminate units from the HAP contract or the entire HAP contract by written notice to the owner.

Before terminating units from the HAP Contract NAHA will take, as appropriate and to the extent that it may help avoid adverse impacts on applicant and participating families, the cost-saving measures for described in Notice PIH 2011–28 (“Cost-Saving Measures in the Housing Choice Voucher (HCV) Program”) in order to try to cover its housing assistance payments. In the case that the cost savings measures are not sufficient to cover continue housing assistance payments for all contract units for the full term of the HAP contract, then NAHA may choose to terminate payments under its HCV or PBV programs

## **M. INSPECTIONS**

NAHA will inspect PBV units owned by agencies unrelated to NAHA, and will contract with an independent company to inspect PBV units owned by NAHA or an affiliated entity. Those inspections will be in accordance with the regulations at 24 CFR 983.103 and Housing Quality Standards (HQS) at 24 CFR 983.101 and 982.401 and this Administrative Plan:

- **Pre-Selection.** For new construction or rehabilitated units, NAHA will inspect the site prior to making the proposal selection. For existing housing, all units must

substantially comply with HQS prior to proposal selection.

- Prior to entering the HAP Contract. All units must fully comply with HQS standards prior to executing the HAP Contract.
- Turnover. Each time a family moves out of a PBV unit, NAHA will inspect the unit before providing assistance to a new family.
- Annual Inspections. NAHA will inspect at least 20% of the contract units in each building, turnover inspections are not counted towards meeting the 20%. If more than 20% of the inspected units fail inspection, NAHA must re-inspect all units in the building.
- As needed. NAHA will inspect units as needed to ensure that the units comply with HQS. NAHA will take into account complaints and other information when scheduling inspections.

NAHA-owned units shall be inspected by an independent third party approved by HUD.

## **N. RENT**

Rent to the Owner shall be set in accordance with 24 CFR 983.301 and the reasonable rent requirements described in 24 CFR 983.303.

The tenant portion of the rent shall be determined in accordance with 24 CFR 983.353 and the policies in this Administrative Plan, except for phase-in rents allowed for certain in-place tenants whose unit converts through RAD per PIH Notice 2012-32 (Rev. 3). For applicable tenants, those phase-in rents will be established at each annual recertification.

If a tenant's monthly rent increases by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over three or five years. Rents will phase in at any recertification (interim or annual) performed prior to the second annual recertification after conversion. Tenants whose rents will increase more than 10 percent, if phased in three years, will instead be phased in over five years.

The three year Phase-in will be as follows (see page 55 – 56 of PIH Notice 2012-32 (Rev. 3)):

- Year 1: 33% of difference between most recently paid TTP or flat rent and the Calculated PBV TTP.
- Year 2: Year 2 Annual recertification (AR) and any Interim Recertification prior to Year 3 AR - 50% of difference between most recently paid TTP and the Calculated PBV TTP.
- Year 3: Year 3 AR and all subsequent recertifications – Full Calculated

PBV TTP. Five Year Phase in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP or flat rent and the Calculated PBV TTP.

- Year 2: Year 2 AR and any IR prior to Year 3 AR – 25% of difference between most recently paid TTP or flat rent and the Calculated PBV TTP.
- Year 3: Year 3 AR and any IR prior to Year 4 AR -33% of difference between most recently paid TTP and the Calculated PBV TTP.
- Year 4: Year 4 AR and any IR prior to Year 5 – 50% of difference between most recently paid TTP and the Calculated PBV TTP.
- Year 5 AR and all subsequent recertifications – Full Calculated PBV TTP.

NAHA shall make vacancy payments for up to two months beyond the month of move-out for units that are re-rented within that time period, or for units not re-rented within that time period if a good faith effort to rent the unit can be shown by the owner. In accordance with 24 CFR § 983.352 (b)(2) the vacancy payment to the owner cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

The owner must submit a request for vacancy payments in the form and manner required by the NAHA and must provide any information or substantiation required by NAHA to determine the amount of any vacancy payment.

Rent shall be re-determined in accordance with 24 CFR 983.302:

- Upon the owner's request upon the annual anniversary of the HAP Contract.
- Utility allowances will change upon the annual anniversary of the HAP Contract.
- When there is a 10% or greater decrease in the published fair market rents

#### **Q. WHEN THE TOTAL TENANT PAYMENT EXCEEDS THE GROSS RENT**

Under normal PBV rules, NAHA may select an occupied unit to be included under the PBV HAP contract if the unit's occupants are eligible for housing assistance payments (24 CFR 983.53(d)). Also, NAHA must remove a unit from the contract when no assistance has been paid for 180 days because the family's TTP has risen to a level that is equal to or greater than the contract rent, plus utility allowance, for the unit (i.e., the Gross Rent) (24 CFR 983.258). Since the rent limitation under this Section of PIH Notice 2012-32, REV-2 may often result in a family's TTP equaling or exceeding the gross rent for the unit, for current residents (i.e. residents living in the public housing property prior to conversion), HUD is waiving both of these provisions and requiring that the unit for such families be placed on and/or remain under the HAP contract when the TTP equals or exceeds the Gross Rent. Further, HUD is establishing the alternative requirement that the rent to owner for the unit equal the family's TTP until such time that the family is eligible for a housing assistance payment. HUD is waiving as necessary to implement this alternative provision, the implementing regulations at 24 CFR 983.301 as modified by Section 1.6.B.5 of before mentioned PIH notice. In such cases, the resident is considered a participant under the program and all of the family obligations and protections under RAD and PBV apply to the resident. Likewise all requirements with respect to the unit, such as compliance with the HQS requirements, apply as long as the unit is under HAP contract. Assistance may subsequently be reinstated if the tenant becomes eligible for assistance. NAHA is required

to process these individuals through the form 50058 submodule in PIC.

Following conversion, 24 CFR 983.53(d) (Prohibition of assistance for ineligible units) applies, and any new families referred to the RAD PBV project must be initially eligible for a HAP payment at admission to the program, which means their TTP may not exceed the gross rent for the unit at that time. Further, NAH must remove a unit from the contract when no assistance has been paid for 180 days. If units are removed from the HAP contract because a new admission's TTP comes to equal or exceed the gross rent for the unit and if the project is fully assisted, HUD is imposing an alternative requirement that NAHA must reinstate the unit after the family has vacated the property; and, if the project is partially assisted, NAHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR 9832.207, or where "floating" units have been permitted, per Section 1.6.B.10 of PIH Notice 2012-32, REV-2.

#### **P. EARNED INCOME DISREGARD (EID)**

Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent

phase-in; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

#### **Q. SECURITY DEPOSIT**

Any family moving into a PBV unit will be required to pay a security deposit prior to occupancy in accordance with the owner's policies and the lease. For existing housing converted to PBV, any in-place tenant will have their security deposit adjusted to the amount required for that type of unit based upon the owner's current policies. If this requires an increased security deposit, the in-place tenant will be required to pay the incremental amount to bring their security deposit up to the required level. If this is the case NAHA reserves the right to withhold the difference from the relocation payment provided. If this creates a decreased security deposit, then the in-place tenant will be refunded the differential amount between their previous security deposit, and the security deposit currently required.

#### **R. RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM**

Certain of NAHA's PBV projects have been converted under HUD's Rental Assistance Demonstration Program ("RAD") to the PBV program from either 1) the public housing program under the first component of RAD or 2) an expired Rent Supplement or RAP Contract under the second component of RAD. All projects converted to PBV Assistance under RAD are subject to the requirements of HUD PIH

Notice 2012-32, REV-2, as such may be amended from time to time (the “RAD Requirements”). The RAD Requirements are in addition to, and may modify, the requirements for PBV projects as set forth in this Chapter. For any PBV project converted under RAD, in the event of a conflict between the RAD Requirements and the requirements of this Chapter, the RAD Requirements shall control.

Additionally, for any PBV project that converted from public housing under RAD, the additional tenant protections shall apply. These provisions shall not apply to any project converted to PBV assistance under the second component of RAD or any non-RAD PBV project. Note that in the RAD context “owner” may also refer to NAHA or a related entity.

An absolute priority will be provided for persons relocated during any RAD conversion to allow NAHA to offer a tenant based voucher when needed to provide appropriate housing for persons affected by the RAD conversion.

**Termination Notification.** The owner will renew all leases for RAD PBV families unless cause exists. Further, the owner will provide adequate written notice of termination of the lease which shall not be less than:

- i. A reasonable period of time, but not to exceed 30 days:
  - If the health or safety of other tenants, NAHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
  - In the event of any drug-related or violent criminal activity or any felony conviction;
- ii. 14 days in the case of nonpayment of rent; and
- iii. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

### **Grievance Process.**

1. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi), and this PBV Addendum to this Administrative Plan, an opportunity for an informal hearing must be given to residents at PBV Project converted under RAD for any dispute that a resident may have with respect to the owner’s actions in accordance with the individual’s lease that adversely affect the resident’s rights, obligations, welfare, or status:
  - For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the hearing will be conducted in accordance with the procedures outlined in the PBV Addendum to this Administrative Plan
  - For any additional hearings required under RAD, an impartial member of the owner’s staff shall perform the hearing.

2. An informal hearing will not be required for class grievances or for disputes between residents not involving the owner or NAHA. This hearing requirement shall not apply to and is not intended as a forum for initiating or negotiating policy changes between a group or groups of residents and the owner or NAHA.
3. The owner shall give residents notice in the house rules or the lease of residents' ability to request an informal hearing for circumstances that do not entitle the residents to a hearing under the PBV Addendum to this Administrative Plan.
4. The owner shall provide opportunity for an informal hearing before an eviction.