



2018 PHA ANNUAL PLAN

**DRAFT COPY SUBMITTED TO THE BOARD
OF COMMISSIONERS:
SEPTEMBER 2017**

**FINAL COPY APPROVED BY THE BOARD
OF COMMISSIONERS:
PROJECTED: OCTOBER 2017**

**HOUSING AUTHORITY INFORMATION:
LITTLE ROCK HOUSING AUTHORITY D/B/A
METROPOLITAN HOUSING ALLIANCE
100 S. ARCH STREET
LITTLE ROCK, AR 72201
PHONE (501)340-4821**

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Annual PHA Plan <i>(Standard PHAs and Troubled PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 02/29/2016
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Applicability. Form HUD-50075-ST is to be completed annually by **STANDARD PHAs or TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A	PHA Information.				
A · 1	PHA Name: <u>Housing Authority of the City of Little Rock, AR</u> PHA Code: <u>AR004</u> PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>01/2018</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units <u>868</u> Number of Housing Choice Vouchers (HCVs) <u>2296</u> Total Combined Units/Vouchers <u>3164</u> PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission				
<p>Availability of Information. PHAs must have the elements listed below in sections B and C readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.</p>					
<input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)					
Participating PHAs		PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program
					PH HCV
Lead PHA:					

B	Annual Plan Elements
B	Revision of PHA Plan Elements.
1	<p>(a) Have the following PHA Plan elements been revised by the PHA?</p> <p>Y N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Grievance Procedures.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Community Service and Self-Sufficiency Programs.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Safety and Crime Prevention.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Pet Policy.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Asset Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):</p> <p>Update information attached</p> <p>(c) The PHA must submit its Deconcentration Policy for Field Office review.</p> <p>N/A</p>
B	New Activities.
2	<p>(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Hope VI or Choice Neighborhoods.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Mixed Finance Modernization or Development.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Demolition and/or Disposition.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Designated Housing for Elderly and/or Disabled Families.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Conversion of Public Housing to Tenant-Based Assistance.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Conversion of Public Housing to Project-Based Assistance under RAD.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Occupancy by Over-Income Families.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Occupancy by Police Officers.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Non-Smoking Policies.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Project-Based Vouchers.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Units with Approved Vacancies for Modernization.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).</p> <p>(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project based units and general locations, and describe how project basing would be consistent with the PHA Plan.</p>
B	Civil Rights Certification.
3	<p>Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p> <p>Attached</p>

<p>B . 4</p>	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N <input type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p> <p>Information Pending</p>
<p>B . 5</p>	<p>Progress Report.</p> <p>Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.</p> <p>Attached</p>
<p>B . 6</p>	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(c) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p> <p>Information Pending</p>
<p>B . 7</p>	<p>Certification by State or Local Officials.</p> <p>Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<p>B . 8</p>	<p>Troubled PHA.</p> <p>(a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place?</p> <p>Y N N/A <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p>
<p>C .</p>	<p>Statement of Capital Improvements. Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).</p>
<p>C . 1</p>	<p>Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD.</p> <p>Refer to Attachment 11.</p>

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**Little Rock Housing Authority
FY 2018
Plan Elements**

Element B

B.1

Statement of Housing Needs and Strategy for Addressing Housing Needs.

As shown below MHA plan to tracks several variables when consolidating information on its waiting list to assist with continuing to meet the needs of its residents. This information is used to help MHA and its partner’s carryout the goals and plans among the residents and community served within its various programs. It allows MHA to identify a benchmark for the implementation of initiatives, plans and MOU’s and ensure the cohesive partnership with the City of Little Rock’s Five Year Consolidated Plan by streamlining the approach of advocating for households with unmet housing needs and locating opportunities to fulfill the needs.

Based on statistical information there are four factors that contribute to a need for additional affordable housing:

1. Many households are over-crowded;
2. Many households are over-burdened with housing costs;
3. Affordable rental housing is being lost to the market through expiring use restrictions; and
4. The demolition of blighted, distressed housing.

Public Housing Waiting List 2017

All Public Housing Waiting Lists 2017	Total	Percent
Income		
All Income Ranges	2764	100%
Extremely Low-Income (<= 30% AMI)	>2299	>83%
Very Low – Income (31% - 50% AMI)	320	
Low-Income (51 – 80% AMI)	103	
High	42	
Race		
African-American	2516	91%
American Indian	6	
Asian/Pacific Islander	7	
Hispanic	86	
White	35	
Native Hawaiian/other Pacific Islander	4	
Undefined	3	
Family Type		
Families with Children	233	8%
Elderly	300	11%
Disabled	449	16%

Source: Database for 2017

Section 8 Waiting List 2017

Section 8 Waiting List	Total	Percent
Income		
All Income Ranges	5085	100%
Extremely Low-Income (<= 30% AMI)	>4961	>97%
Very Low – Income (31% - 50% AMI)	72	
Low-Income (51 – 80% AMI)	31	
High	21	
Race		
African-American	4811	94%
American Indian	9	
Asian/Pacific Islander	17	
Hispanic	25	
White	168	
Native Hawaiian/other Pacific Islander	5	
Undefined	24	
Family Type		
Families with Children	4,136	80%
Elderly	156	3%
Disabled	858	17%

Source: Database for 2017

Strategy for Addressing Housing Needs

Need: Shortage of affordable housing for all eligible populations

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

- Employ effective maintenance and management policies to minimize the number of public housing units off-line
- Reduce turnover time for vacated public housing units
- Seeking replacement of public housing units lost to the inventory through mixed finance development
- Seek replacement of public housing units lost to the inventory through Section 8 replacement housing resources
- Maintain or increase Section 8 lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration
- Continue to execute development plans as submitted to HUD. Submit modifications and deviations as required to meet resident housing needs.
- Apply for additional funding resources through State of Arkansas Department of Finance (“ADFA”), HUD, local banking institutions and private investors

Strategy 2: Increase the number of affordable housing units:

- Apply for additional Section 8 units should they become available

- Leverage affordable housing resources in the community through the creation of mixed - finance housing
- Pursue housing resources other than public housing or Section 8 tenant-based assistance,
- Dispose of unused land and aged development sites for fair market rate and
- Continue to partner and expand with state and local housing industry resource to collaborate use of Landbank, banking foreclosures and first right of refusal sites.

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

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

- Adopt rent policies to support and encourage work

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

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

- Adopt rent policies to support and encourage work

Need: Specific Family Types: The Elderly

Strategy: Target available assistance to the elderly:

- Apply for special-purpose vouchers targeted to the elderly, should they become available
- Explore the housing needs for Assisted Living Seniors

Need: Specific Family Types: Families with Disabilities

Strategy: Target available assistance to Families with Disabilities:

- Carry out the modifications needed in public housing based on the Section 504 Needs Assessment for Public Housing
- Apply for special-purpose vouchers targeted to families with disabilities, should they become available
- Affirmatively market to local non-profit agencies that assist families with disabilities

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

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

1. Affirmatively market to races/ethnicities shown to have disproportionate housing needs

Strategy 2: Conduct activities to affirmatively further fair housing

1. Counsel Section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units
2. Market the section 8 program to owners outside of areas of poverty /minority concentrations

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. (No Revisions)

Eligibility, Selection and Admissions Policies, including De-concentration and Wait List Procedures are outlined in the Admissions and Continued Occupancy Policy ("ACOP") for Public Housing and the Housing Choice Voucher Administrative Plan ("Admin Plan") for Section 8. (*Refer to "Attachments 1 & 2"*)

Public Housing

It is MHA's policy that each applicant shall be assigned his/her appropriate place on a Site Based waiting list, in sequence based upon:

- Type and size of unit needed by the family (e.g. general occupancy building, accessible or non-accessible unit, number of bedrooms);
- Applicant preference or priority, if any; and
- Date and time the application is received.

MHA will maintain its waiting list in the form of records the type and size of unit needed, each applicant’s priority/preference status, the date and time of application, and the race and ethnicity of the family head. (Refer to ACOP; Section III, A. Page 23.)

Section 8 Housing Choice Voucher Program

MHA’s policies governing eligibility, selection and admission for the Section 8 Housing Choice Voucher Program are included in the MHA Admin Plan for Housing Voucher Programs. (Refer to Chapters 2 – 4 of Admin Plan)

Financial Resources. (No Revisions)

MHA intends to utilize funds from Capital Funds, HUD subsidy and Tenant rent proceeds to fund operations at our Public Housing sites. (*Refer to “Attachment 3”*)

Rent Determination. (No Revisions)

Public Housing

MHA’s policies governing rent determination for the public housing program are included in the ACOP. (Refer to ACOP Section VII, A. page 35 and Section VIII, A. page 38.)

Section 8 Housing Choice Voucher Program

MHA’s policies governing rent determination for the Section 8 Housing Choice Voucher Program are included in the MHA Admin Plan for Housing Voucher Programs. (Chapter 6, Section D. Averaging Income and Chapter 9, Section C. Payment Standards)

Operation and Management. (No Revisions)

The following MHA policies and procedures provide the rules and standards, for the management and maintenance of MHA’s Public Housing program and administration of the Section 8 Housing Choice Voucher program.

MHA’s overall policy is taken from HUD’s advice on handling bed bugs. Our process is designed as a partnership between the tenant and landlord through our lease. Once notified, MHA and tenants execute the following protocol:

1. MHA engages its procured qualified professional pest control firm to obtain expert help inspecting the affected unit.
2. MHA notifies the tenant of their treatment date and provides them with MHA’s “Bed Bug Management Plan” for their review and signature.
3. The tenant is required to complete the following tasks:
 - a. Be onsite during the time of the initial inspection.
 - b. Remove all sheets, blankets, mattress covers, pillowcases, and bedding from beds and wash in hot water and dry clothes on the highest heat setting for at least 30 minutes. These items should be folded and placed in plastic garbage bags and sealed tightly. They should not be placed back on the bed until the evening after treatment.
 - c. Remove everything from bedrooms and hall closets. Closets, dresser drawers, and night stand drawers must be empty.
 - d. Remove all clothing, toys, boxes, etc. from bedroom floors.

- e. Move all furniture to the center of the room(s) being treated.
 - f. Remove all pictures from the walls.
 - g. Discard all cardboard hangers, boxes, etc.
 - h. Place all bed bug mattress encasements (provided at initial inspection) on all beds. The bed bug mattress encasement is an effective bed bug killer when combined with treatment and must remain on the mattress for at least one year. If the mattress or box spring encasement becomes torn or damaged it is the tenant's responsibility to replace.
 - i. Discarded mattresses, box springs, furniture, etc. must not be placed in dumpsters; they must be removed from the premises.
4. The pest control firm then treats the affected unit.
 5. If it is determined that adjacent units are affected, the pest control firm will treat additional adjacent units also.
 6. A subsequent treatment is performed fourteen (14) days after the initial treatment.

(Refer to "Attachment 4")

Grievance Procedures. (No Revisions)

MHA's policies grievance and informal hearing and review procedures are included in the Administrative Grievance Procedure for Tenants of Low Rent Public Housing Program, provided in the ACOP. *(Refer to "Attachment 5")*

MHA's policies grievance and information hearing and review procedures for the Section 8 Housing Choice Voucher Program is in conjunction with informal review procedures for applicants as required in [24 CFR 982.54(d)(12), 982.554].

MHA has incorporated the use of third party Neutral Appeal Hearing Officers. This procedure will ensure all parties will have a neutral stance for agency wide hearings. This new procedure will also aid in monitoring MHA's policy and procedures. *(Refer to "Attachment 6")*

Homeownership Programs.

MHA administers a Homeownership Program that was reinstated by HUD in 2015. This program is designed to expand homeownership opportunities for voucher participants. It also aides in the transition from rental assistance to homeownership. *(Refer to "Attachment 7")*

Community Service and Self Sufficiency Programs. (No Revisions)

MHA is committed to assisting its families to become economically and socially self- sufficient and offers the Family Self-Sufficiency Program ("FSS") to both its public housing and Section 8 residents. MHA provides, either itself or through agreements with other service entities, a large variety of programs and services to assist families to become self-sufficient. These include education programs for all ages, job training, job search assistance and support services such as transportation, health services and child care. MHA is one of 28 cities to roll out the ConnectHome Initiative Pilot Program. MHA has implemented a digital literacy training program for the residents located in all affordable and low income housing sites.

Safety and Crime Prevention.

The installation of Security Cameras and DVRs are now completed wide-agency. Due to the need for additional surveillance at each of the site location, a total of 215 cameras were placed into service. This installation has not only decreased the amount of resident incidents but it has allowed incidents that have occurred to be captured for later review and any appropriate action, if necessary. Additionally, MHA has secured two Security Guard firms to monitor activity at each of the site locations. One firm is a roving

patrol in addition to onsite monitor in between site patrols. They provide added security to the sites with exterior surveillance service.

Moving forward the staff plan to solicit a professional firms to evaluate the need of the residents by way of survey. The survey will focus on activities, services, or programs that help residents and families with domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families. An additional focus will be placed on drug elimination, healthy living and digital literacy.

Pet Policy. (No Revisions)

MHA's policies and requirements regarding pet ownership are included in the MHA ACOP (page 46, section XIV).

Asset Management. (No Revisions)

MHA has converted to asset management including AMP-based accounting and budgeting for all its public housing sites. MHA annually assesses the physical needs of each of its properties and updates its long-range repair, renovation, and modernization plans for each property. MHA also annually reviews the operations of each of its housing sites to assess strengths at each properties and areas for improvement.

Substantial Deviation. (No Revisions)

None

Significant Amendment/Modification. (No Revisions)

None

Attachment “1”



Metropolitan Housing Alliance

ADMISSIONS AND CONTINUED OCCUPANCY POLICY

A.C.O.P.

HUD Approved: _____

Note:

This plan (ACOP) also serves as our "Tenant Selection and Assignment Plan (TSAP)" because it meets the requirements for a TSAP and provides the details as to how this Agency processes the selection and assignment of applicants for Public Housing.

The ACOP also includes the regulatory "One-Strike" provisions for admission to Public Housing and applicable sections of Title V of H.R. 4194, the Quality Housing and Work Responsibility Act.

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I. ACOP Governing HUD Aided Public Housing Operated by the MHA

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A. Public Housing Agency Mission Statement

The mission of the Metropolitan Housing Alliance (Little Rock Housing Authority d/b/a Metropolitan Housing Alliance; hereafter, referred to as "MHA") is the same as that of the Department of Housing and Urban Development: HUD's mission is to increase homeownership, support community development and increase access to affordable housing free from discrimination. To fulfill this mission, MHA will work with HUD to embrace high standards of ethics, management and accountability and forge new partnerships--particularly with faith-based and community organizations--that leverage resources and improve HUD's ability to be effective on the community level.

B. Purpose of the Policy

The purpose of this ACOP is to establish policies for the MHA staff to follow in determining eligibility and continued occupancy. These policies are governed by the requirements of HUD with latitude for local policies and procedures. If any changes conflict with this plan, HUD regulations will have precedence.

The MHA Board of Commissioners will approve the original policy and significant amendments. Required portions of this plan will be provided to HUD.

C. Compliance with Civil Rights Laws

1. Complying with Civil Rights Laws

- a. Civil rights laws protect the rights of applicants and residents to equal treatment by the Housing Authority in operating its programs. It is the policy of the Metropolitan Housing Alliance (MHA) to comply with all Civil Rights laws now in effect and subsequently enacted, including but not limited to:
 - i. Title VI of the Civil Rights Act of 1964, which forbids discrimination on the basis of race, color, religion, national origin or sex; **24 CFR §§ 1 and 100**
 - ii. Title VIII of the Civil Rights Act of 1968 (as amended by the 1974 HCDA and the Fair Housing Amendments Act of 1988), which extends protection against discrimination based on disability and familial status, and spells out forms of prohibited discrimination; **24 CFR § 100**
 - iii. Executive Order 11063,
 - iv. Section 504 of the Rehabilitation Act of 1973, which describes specific housing rights of persons with disabilities; **24 CFR § 8**
 - v. Age Discrimination Act of 1975, which establishes certain rights of the elderly; **24 CFR § 146**
 - vi. Title II of the Americans with Disabilities Act, otherwise Section 504 and the Fair Housing Amendments govern (Title II deals with common areas and public space, not living units, which are covered by Section 504.)
 - vii. Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity
 - viii. Any applicable State laws or local ordinances.

Deleted:

2. MHA shall not discriminate because of race, color, national origin, sex, religion, familial status, disability, sexual orientation or gender identity in the leasing, rental, occupancy, use, or other disposition of housing or related facilities, including land that is part of a development under the MHA's jurisdiction covered by a public housing Annual Contributions Contract with HUD. **24 CFR § 100**
3. MHA shall not deny admission to otherwise qualified applicants because of their membership in some group to which negative behavior may be imputed (e.g., families with children born to unmarried parents). Instead, each applicant who is a member of a particular group will be treated as an individual based on his or her attributes and behavior. **24 CFR § 960.203(a)**
4. MHA will work to affirmatively further fair housing and to remove impediments to housing choice by members of protected classes;
5. MHA will offer units only in the order prescribed by this policy, since any other method violates the rights of applicants.

D. Reasonable Accommodations

1. MHA, as a public agency that provides affordable housing to eligible families, has a legal obligation to provide "unit modifications" and "reasonable accommodations" to applicants and residents if they or any family members have a disability. **24 CFR § 8.4**
2. A unit modification is some adaptation or change MHA can make to its apartments, buildings, or sites. A reasonable accommodation is a modification MHA can make to its methods and procedures (but not Federal law, regulations or MHA policies). Both unit modifications and reasonable accommodations are carried out to assist an otherwise eligible applicant or resident with a disability to take full advantage of and use MHA's programs, including those that are operated by other agencies in MHA owned public space. **24 CFR § 8.20**. A modification or accommodation is not reasonable if it: **24 CFR § 8.21(b) and 24 CFR § 8.24(a)(2)**
 - a. Causes an undue financial and administrative burden; or
 - b. Represents a fundamental alteration in the nature of MHA's program.
3. Subject to the undue burdens and fundamental alterations tests, MHA will correct physical situations or procedures that create a barrier to equal housing opportunity for all. To permit people with disabilities to take full advantage of MHA's housing program and non-housing programs, in accordance with Section 504 and the Fair Housing Amendments Act of 1988, MHA shall comply with all requirements and prohibitions in applicable law. Specific actions are described in the *Procedure on Civil Rights and Disability Rights*. **24 CFR § 8.4**
4. Facilities and programs used by applicants and residents shall be accessible to persons using wheelchairs, persons with sensory impairments and other persons with disabilities. Application and management offices, hearing rooms, community centers, day care centers, laundry facilities, craft and game rooms, etc. (to the extent that the MHA has such facilities) will be usable by residents with a full range of disabilities. If MHA offers such facilities, and none is accessible, someone will be made so, subject to the undue financial and administrative burden test. **24 CFR § 8.2**

5. Documents and procedures used by applicants and residents will be accessible for those with vision, hearing or other sensory impairments. Also, all documents will be written simply and clearly to enable applicants with learning or cognitive disabilities to understand as much as possible. Methods used to ensure that communication is understandable by persons with disabilities are described in the *Procedure on Civil Rights and Disability Rights*. **24 CFR § 8.6**

6. Examples of reasonable accommodations include, but are not limited to: **24 CFR §8.4**
 - a. Making alterations to a MHA apartment to make it fully accessible so it could be used by a person in a wheelchair;
 - b. Transferring a resident (at MHA's expense) who needs a fully accessible unit from an apartment that cannot be made accessible to an apartment that is accessible (this may require moving the resident from one property to another);
 - c. Widening the door of a community room or public restroom so a person in a wheelchair may use the facility;
 - d. Adding or altering apartment or building features so they may be used by a family member with a disability, including but not limited to;
 - i. Installing strobe-type flashing light smoke detectors and flashing light/doorbell for a family with a hearing impaired member;
 - ii. Adding structural grab bars in the bathroom;
 - iii. Changing the doorknobs to lever-type door handles;
 - iv. Installing a magnifier over the thermostat;
 - v. Switching the bathtub to a shower;
 - vi. Lowering the peephole on the door;
 - e. Permitting a family to have a large dog to assist a family member with a disability in a MHA family development where the size of dogs is usually limited; **24 CFR § 8.20**
 - f. Making sure that MHA processes are understandable to applicants and residents with sensory or cognitive impairments, including but not limited to: **24 CFR § 8.6**
 - i. Making large type documents, Braille documents, cassettes or a reader available to an applicant or resident with a vision impairment during interviews or meetings with MHA staff;
 - ii. Using personal visits, interviews or telephone calls to convey information to an applicant or resident who cannot read;
 - iii. Making a sign language interpreter available to an applicant with a hearing impairment during interviews or meetings with MHA staff;
 - iv. Permitting an applicant or resident to be accompanied or represented by a family member, friend or advocate at all meetings and interviews with MHA if the individual desires such representation;
 - v. Permitting an outside agency or individual to assist an applicant with a disability to meet the MHA's applicant screening criteria.

- g. To meet the standard of HUD's definition of "Qualified Individual with a Disability" a family head or other member with a disability must still be able to meet essential obligations of tenancy. **24 CFR § 8.3**
- h. If an applicant or resident family member needs assistance with one of the essential obligations of tenancy, MHA will, as a reasonable accommodation, make a referral to an individual or agency that can provide such assistance. **24 CFR § 8.20**
- i. If an applicant or resident receives a referral to an agency or individual who can assist the applicant or resident with complying with the essential obligations of tenancy, the applicant or resident is not obligated to accept the service, but if refusing service results in a lease violation, MHA may terminate the lease. **24 CFR § 8.2**
- j. An applicant or resident family with a member who has a disability and needs or wants a reasonable accommodation may request it at any time. **24 CFR § 8.20**
- k. If an applicant or resident would prefer not to discuss his/her disability with the MHA, that is his/her right.
- l. Any request that requires a certified verification, must be submitted directly to MHA by the qualified person making the certification.

E. Accessibility and Plain Language

1. Facilities and programs used by residents must be accessible to a person in a wheelchair. Application and management offices, hearing rooms, community centers, day care centers, laundry facilities, craft and game rooms and so on must be usable by residents with a full range of disabilities. If none of these facilities are already accessible (and located on accessible routes), some¹ must be made so, subject to the undue financial and administrative burden test. (Required, 24 CFR § 8.20 and 8.21)

2. Documents used by applicants and residents will be made available in formats accessible for those with vision or hearing impairments as necessary if all appropriate MHA and family efforts have failed to satisfy applicants/residents understanding (Required, 24 CFR § 8.6). Equally important, the documents will be written simply and clearly to enable applicants with learning or cognitive disabilities to understand as much as possible. Unless prohibited by local law, documents may be translated into languages other than English as needed².

¹ It is not required that all public and common areas be made accessible so long as persons with disabilities have full access to all the types of facilities and activities available to persons without disabilities. Thus, not all laundry facilities need to be accessible so long as there are sufficient accessible laundry facilities for use by persons with disabilities at each development that provides laundry facilities.

² 24 CFR § 5.502 requires that for any notice or document (decision, declaration, consent form, etc.) that subpart E requires MHA to provide to an individual, or MHA is required to obtain the signature of an individual, MHA, where feasible, must arrange for the document to be provided to the individual in a language that is understood by the individual if the individual is not

3. Some aspects of eligibility, rent computation, applicant screening, reasonable accommodations, and lease compliance are complicated, but MHA will present examples to help applicants and residents understand the issues involved as necessary if all appropriate MHA and family efforts have failed to satisfy applicants/residents understanding. In writing materials for applicants and residents, MHA staff will keep in mind that learning disabilities and cognitive disabilities may affect the applicant's ability to read or understand – so rules and benefits may have to be explained verbally, perhaps more than once. (Required, 24 CFR § 8.6)

4. At the various points of initial contact with all applicants, MHA staff will ask if they will require an alternate form of communication. Alternative forms of communication might include: sign language interpretation; having materials explained orally by staff, either in person or by phone; large type materials; information on tape; having someone (friend, relative or advocate) accompany the applicant to receive, interpret and explain housing materials; permitting applicants to file applications by mail; and permitting alternative sites for application taking. (Required, 24 CFR § 8.6)

5. Some applicants will not be able to read (or to read English), so intake staff must be prepared to read and explain anything that they would normally hand to an applicant to be read or filled out. Applicants who read or understand little English may furnish an interpreter who can explain what is going on. MHA is not required to pay the costs associated with having a foreign language interpreter (as they are for a sign language interpreters for the hearing impaired [Required, 24 CFR § 8.6] because the Fair Housing law makes no such requirement).

6. At a minimum, MHA will prepare the following information in plain-language accessible formats:

- Marketing, promotional and informational materials
- Information about the application process
- How rents and utility allowances are determined
- The application form and required certifications
- All form letters and notices to applicants and residents
- General statement about reasonable accommodation
- Orientation materials for new residents
- The lease and house rules, if any
- Guidance or instructions about care of the housing unit
- Information about opening, updating or closing the waiting list
- All information related to applicant's rights (to informal hearings, etc.)

proficient in English. In general, documents will be translated when there are sufficient numbers of applicants or residents speaking a language to warrant the expense.

II. Eligibility for Admission and Processing of Applications

A. Affirmative Marketing

1. MHA will conduct affirmative marketing as needed so the waiting list includes a mix of applicants with races, ethnic backgrounds, ages, and disabilities proportionate to the mix of those groups in the eligible population of the area. The marketing plan will consider the level of vacancy in the MHA's units, any disparity in incomes between developments, availability of units through turnover, and waiting list population characteristics. MHA will periodically assess these factors in order to determine the need for and scope of any marketing efforts. All marketing efforts will include outreach to those least likely to apply (Affirmative Marketing Requirement, 24 CFR §200.600).

2. Marketing and informational materials will be subject to the following:

- (a) Marketing materials will comply with Fair Housing Act requirements on wording, logo, size of type, etc. [Required, 24 CFR §200.640];
- (b) Marketing will describe the housing units, application process, waiting list and preference structure accurately;
- (c) Marketing will use clear and easy to understand terms and will use more than strictly English-language print media;
- (d) Agencies that serve and advocate for potentially qualified applicants least likely to apply (e.g. the disabled) will be contacted to ensure that accessible/adaptable units are offered to applicants who need their features;
- (e) Marketing materials will make clear who is eligible: low income individuals and families; working and non-working people; and people with both physical and mental disabilities; and
- (f) MHA will be clear about its responsibility to provide reasonable accommodations to people with disabilities.

B. Eligibility for Admission (24 CFR §960.201)

1. It is MHA's policy to admit only eligible applicants.

2. An applicant is eligible if he or she meets all of the following criteria:

- (a) Is a family as defined in Section XVI(22) of this policy;
- (b) Meets the HUD requirements on citizenship or immigration status; [Required, 24 CFR § 5.508]
- (c) Has an Annual Income (as defined in Section XII of this document) at the time of admission that does not exceed the income limits (maximum incomes by family size established by HUD) posted in MHA offices.
- (d) Provides documentation of social security numbers for all family members of any age or certifies that they do not have social security numbers (as defined in Section XII of this document); [Required, 24 CFR § 5.216]
- (e) Meets or exceeds the Application Selection Criteria set forth in Section II. Of these policies [Required, 24 CFR § 960], including and successfully completing a MHA-approved pre-occupancy orientation session.

C. Waiting List Management

1. It is the policy of MHA to administer its waiting list as required by the regulations at 24 CFR §§ 960.201 through 960.208).

2. Opening and Closing Waiting Lists

- (a) MHA, at its discretion, may restrict application intake, suspend application intake, and close waiting lists in whole or in part. MHA may open or close the list for persons with a high preference category, or by unit size or type available. See (c) below.
- (b) For any unit size or type, if the MHA's highest waiting list preference category has sufficient applications to fill anticipated vacancies for the coming 12 months, MHA may elect to: (a) close the waiting list completely; (b) close the list during certain times of the year; or (c) restrict intake by preference, type of project, or by size and type of dwelling unit (c) Decisions about closing the waiting list will be based on the number of applications available for a particular size and type of unit, the number of applicants who qualify for a preference, and the ability of MHA to house an applicant in an appropriate unit within a reasonable period of time (between twelve and eighteen months). A decision to close the waiting lists, restricting intake, or opening the waiting lists will be publicly announced.
- (d) During the period when the waiting list is closed, MHA will not maintain a list of individuals who wish to be notified when the waiting list is re-opened.

3. Determining if the Waiting List may be closed

MHA will use its **Procedure on Waiting List Closure** to determine whether the waiting list(s) may be closed.

4. Updating the Waiting List

- (a) Beginning in January of 2001 MHA will update each waiting list sublist (by unit type and BR size) at least once a year by contacting all applicants in writing³.

If, after one attempts in writing⁴, no response is received, MHA will withdraw the names of applicants from the waiting list.

At the time of initial intake, MHA will advise families of their responsibility to notify the MHA when their circumstances, mailing address or phone numbers change.

- (b) MHA will not remove an applicant's name from the waiting list except in accordance with this procedure or noted elsewhere within this policy.

5. Changes in Preference Status While on the Waiting List

- (a) Families on the waiting list who did not qualify for a local or ranking preference when they applied may experience a change in circumstances that qualifies them for a preference. In such instances, it will be the family's duty to contact MHA so that their status may be recertified or, depending on application processing status, reverified. Applicants whose preference status changes while they are on the waiting list will retain their original date and time of application.
- (b) To the extent that MHA determines that the family does now qualify for a preference, they will be moved up on the waiting list in accordance with their preference(s) and their date and

³ Or by the method designated at initial application by applicants with disabilities.

⁴ The written communication will be sent by first class mail.

time of application. They will then be informed in writing of how the change in status has affected their place on the waiting list.

D. Processing Applications for Admission

1. MHA will accept and process applications in accordance with applicable HUD Regulations and MHA's **Procedure on Taking Applications and Initial Processing**. MHA will work on the assumption that the facts certified to by the applicant in the preliminary application are correct, although all those facts will be subject to verification later in the application process.

1. Interviews and Verification Process

As applicants approach the top of the waiting list, they will be contacted and requested to come to the MHA Site Office for an interview to complete their applicant file. Applicants who fail to attend their scheduled interview or who cannot be contacted to schedule an interview will have their applications withdrawn, subject to reasonable accommodations for people with disabilities.

- (a) The following items will be verified according to MHA's **Procedure on Verification**, to determine qualification for admission to MHA's housing:
 - (i) Family composition and type (Elderly/Disabled/near elderly /non-elderly)
 - (ii) Annual Income
 - (iii) Assets and Asset Income
 - (iv) Deductions from Income
 - (v) Preferences
 - (vi) Social Security Numbers of all Family Members
 - (vii) Information Used in Applicant Screening
 - (viii) Citizenship or eligible immigration status of all family members
- (b) Third party written verification is the preferred form of documentation to substantiate applicant or resident claims. When it is not possible to obtain third party written verification, MHA may also use (1) phone verifications with the results recorded in the file, dated, and signed by MHA staff, (2) review of documents, and, if no other form of verification is available, (3) applicant certification. Applicants must cooperate fully in obtaining or providing the necessary verifications (utilize the HA verification policy).
- (c) Verification of eligible immigration status shall be carried out pursuant to 24 CFR § 5.508. Citizens are permitted to certify to their status.

2. Applicants reporting zero income or low-income of \$200 or less per month may be asked to complete a family expense form. The form will ask applicants to document how much they spend on food, transportation, health care, child care, debts, household items, etc. and what the source of income is for these expenses. The form is designed to capture regular cash and non-cash contributions to the family from persons outside the household. (If a "zero income" family is admitted, redeterminations of income will be performed every 30 days). See Section VII C, Periodic Reexaminations, of this policy.

3. MHA's records with respect to applications for admission to any low-income housing assisted under the United States Housing Act of 1937, as amended, shall indicate for each application the date and time of receipt; The applicant's race and ethnicity; the determination by MHA as to eligibility or ineligibility of the applicant; when eligible, the unit size(s) for which eligible; the preference, if any; and the date, location, identification, and circumstances of each vacancy offered and accepted or rejected.

E. The Preference System

1. **It is MHA's policy that a preference does not guarantee admission.** Preferences are used to establish the order of placement on the waiting list. Every applicant must still meet MHA's Resident Selection Criteria (described later in this policy) before being offered a unit.

2. Factors other than preferences that affect the selection of applicants from the waiting list

Before applying its preference system, MHA will first match the characteristics of the available unit to the applicants available on the waiting list. Factors such as unit size, accessibility features, or type of project, limit the admission of families to those households whose characteristics "match" the characteristics and features of the vacant unit available.

By matching unit and family characteristics, it is possible that families lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application, or ahead of families with a higher preferences (e.g. the next unit available is an accessible unit and the only applicant family needing such features is in the non-preference pool, i.e. having no preference).

Factors other than the preference system that affect applicant selection for unit offers are described below:

- (a) When selecting a family for a unit with **accessible features**, MHA will give a preference to families that include persons with disabilities who can benefit from the unit's features. First preference will be given to existing tenant families seeking a transfer and second preference will be given to applicant families.

If no family needing accessible features can be found for a unit with accessible features, MHA will house a family not needing the unit features, subject to the requirement in the Tenant Selection and Assignment Plan, under which a non-disabled family in an accessible unit can be required to move so that a family needing the unit features can take advantage of the unit.

Preferences will be granted to applicants who are otherwise qualified and who, at the time of the unit offer (prior to execution of a lease); meet the definitions of the preferences described below.

3. Ranking Preferences

There are 3 local preferences in effect: An applicant will qualify for a preference if he/she qualifies in one or more of the following categories (as defined in Section XVI).

4. Method of Applying Preferences

MHA will rank applicants as Homeless, Displacement, Working Family, or no-preference. Applicants with equal Local preferences will be sorted by oldest application on file. **(See CFR § 960.206)**

- (a) MHA will house applicants on the waiting list by selecting first from the Homeless applicants, then from Displacement applicants, then from Working Family applicants, and then, if the Working Family applications are exhausted, by selecting from the Non-preference applicants.
- (b) MHA will also offer units to existing residents on the transfer list. Some types of transfers are processed before new admissions and some types of transfers are processed with new admissions, using a ration set forth in the Tenant Selection and Assignment Plan (TSAP).

- (c) MHA will neither hold units vacant for prospective applicants with preferences, nor will it relax eligibility or screening criteria to admit otherwise unqualified applicants with preferences.

5. Definition of Homeless, Displacement, and Working Family Preference

MHA defines "Homeless" as:

- (a) Individuals or Families living in a place not meant for human habitation, in emergency shelter, in transitional housing, or are exiting an institution where they temporarily resided, and were in shelter or a place not meant for human habitation immediately prior to entering that institution.
- (b) Individuals or Families who are losing their primary nighttime residence, which may include a motel or hotel or a doubled up situation, within 14 days and lack resources or support networks to remain in housing.
- (c) Families with children who are fleeing or attempting to flee domestic violence, and have no other residence, and lack the resources or support networks to obtain other permanent housing.

Applicants MUST be identified by the City of Little Rock or other social service organizations as being homeless and referred to MHA as meeting the one of the aforementioned definitions of "Homeless" to qualify for the Homeless preference. In addition, the organizations must have an active partnership agreement with MHA for the referral to be valid.

MHA defines "Displacement" as:

MHA defines Displacement Preference to include applicants who can document that they have been displaced by a natural disaster declared by the President of the United States, or displaced, through no fault of their own by governmental action.

MHA defines " Working Family" as:

MHA defines Working Family to include all applicants with adult members who can document that they are employed or involved in job training, including job training undertaken as a requirement of persons receiving Temporary Assistance to Needy Families, as defined in SectionXVI. Additionally, persons who are elderly or disability automatically qualify for this preference.

Although the Working Family preference has several subcategories, the subcategories will not be combined or aggregated in any way. Applicants will be considered for admission based on any one of the subcategories in which they qualify. Thus, an applicant whose family includes two members with Working Family preferences does not rank any higher than a family that has only one member qualifying for the Working Family preference.

6. Withholding Preferences

As required by law, MHA will withhold a preference from an applicant if any member of the applicant family is a person evicted from housing assisted under the 1937 Housing Act during the past three years because of drug-related or criminal activity that threatens the health, safety or peaceful enjoyment of other residents or MHA staff. [Required, 24 CFR §960.204] MHA may grant an admission preference in any of the following cases:

- (a) If MHA determines that the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by MHA;
- (b) The circumstances leading to the eviction no longer exist (for example, the criminal household member has died or is imprisoned).

7. Designated Housing

The preference system will be used to match the characteristics of the family to the type of unit available, including developments with HUD-approved designated populations. The ability to provide preferences for some family types will depend on unit size available.

- (a) Projects designated for the elderly: Only elderly (age 62 or older) can live in a HUD-approved elderly building. No other type of family is eligible for admission to a designated elderly building.

8. Administration of the Preferences

- (a) MHA will either verify preferences at the time of application (when there is no waiting list or the waiting list is very short) or require that applicants certify to their qualification for a preference at the time of pre-application (when the wait for admission exceeds four months). Verification of preferences is one of the earliest steps in processing waiting list families for admission. Preference verifications shall be no more than 180 days old at the time of certification.
- (b) At the time of application, MHA will obtain the family's certification that it qualifies for a preference. Between application and the application interview, the family will be advised to notify MHA of any change that may affect their ability to qualify for a preference.
- (c) Applicants that are otherwise eligible and self-certified as qualifying for a preference will be placed on the waiting list in the appropriate applicant pool.
- (d) Applicants that self-certify to a preference at the time of application and cannot verify current preference status at the time of certification will lose their preference status and their position on the waiting list. Families that cannot qualify for any of the preferences will be moved into the No-preference category, and to a lower position on the waiting list based on date and time of application.
- (e) For homeless applicants only, the screening criteria with respect to criminal history shall focus only on the Federally mandated exclusions of persons convicted of manufacturing methamphetamines on the premises of Federally assisted housing and persons required to register as sex offenders. Beyond these two criteria, a criminal history shall be considered for all convictions within one (1) year from the date of application so long as they are willing and able to refrain from violent actions and drug related criminal activity that would be a threat to others.

- (f) Families that claim a preference at application, but do not qualify for a preference at the time of application interview, will be notified in writing and advised of their right to an informal meeting as described below. If otherwise qualified, the family's application will then be placed on the waiting list in the appropriate No-preference category.

9. Notice and Opportunity for a Meeting [Required, 24 CFR § 960.211 (e)]

If an applicant claims but does not qualify for a preference, the applicant can request a meeting:

- (a) MHA will provide a written notice if an applicant does not qualify for a preference. This notice shall contain: a brief statement of the reasons for the determination, and a statement that the applicant has the right to meet with MHA's designee to review the determination.
- (b) If the applicant requests the meeting, MHA shall designate an officer or employee to conduct the meeting. This person(s) can be the person who made the initial determination or reviewed the determination of his or her subordinate, or any other person designated by the MHA. A written summary of this meeting shall be made and retained in the applicant's file.
- (c) The applicant will be advised that he/she may exercise other rights if the applicant believes that illegal discrimination, based on race, color, national origin, religion, age, disability, or familial status has contributed to the MHA's decision to deny the preference.

F. Applicant Selection Criteria

1. It is MHA's policy that all applicants shall be screened in accordance with HUD's regulations (24 CFR § 960) and sound management practices. During screening, MHA will require applicants to demonstrate ability to comply with essential provisions of the lease as summarized below:

- (a) To pay rent and other charges (e.g. utility bills) as required by the lease in a timely manner;
- (b) To care for and avoid damaging the unit and common areas;
- (c) To use facilities and equipment in a reasonable way;
- (d) To create no health, or safety hazards, and to report maintenance needs;
- (e) Not to interfere with the rights and peaceful enjoyment of others, and to avoid damaging the property of others;
- (f) Not to engage in criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents or staff; and not to engage in drug-related criminal activity; and
- (g) To comply with necessary and reasonable rules and program requirements of HUD and the MHA.

2. How MHA will check ability to comply with essential lease requirements:

- (a) Applicant ability and willingness to comply with the essential lease requirements will be checked and documented in accordance with MHA's **Procedure on Applicant Screening**. Information to be considered in completing applicant screening shall be reasonably related to assessing the conduct of the applicant and other family members listed on the application, in present and prior housing. Any costs incurred to complete the application process and screening will be paid by the MHA.
- (b) The history of applicant conduct and behavior must demonstrate that the applicant family can reasonably be expected **not to**:

- (i) Interfere with other residents in such a manner as to diminish their peaceful enjoyment of the premises by adversely affecting their health, safety, or welfare; [Required, 24 CFR § 960.202 & 205 (b)]
- (ii) Adversely affect the physical environment or financial stability of the project; [Required, 24 CFR § 960.202 & 205 (b)]
- (iii) Violate the terms and conditions of the lease; [See 24 CFR § 8.3 Definition: Qualified individual with handicaps]
- (iv) Require services from MHA staff that would alter the fundamental nature of MHA's program. [See 24 CFR § 8.3 Definition: Qualified individual with handicaps]
- (c) MHA will conduct a detailed interview of all applicants using an interview checklist. The checklist is part of the screening procedures (**Screening Procedure**) used in support of this policy. The form will ask questions based on the essential elements of tenancy. Answers will be subject to third party verification, as appropriate. [Required, 24 CFR §960.206 (a) &(b)]
- (d) MHA will complete a credit check and a rental history check on all applicants.
- (e) Payment of funds owed to MHA or any other housing authority is part of the screening evaluation. Payment of outstanding balances is an opportunity for the applicant to demonstrate an improved track record. MHA will reject an applicant for unpaid balances owed MHA by the applicant for any program that MHA operates. MHA expects these balances to be paid in full (either in a lump sum or over time while on the waiting list) before initiating the full screening process. MHA will not make offers to families who owe back balances. [See 24 CFR § 960.205 (b)(1)]
- (f) MHA will complete a criminal background and sex offender check on all adult applicants or any member for whom criminal records are available.
- (g) MHA may complete a home visit when the applicant's rental history is not favorable and the MHA determines it necessary to conduct further verification or is part of a Denial Hearing investigation. Housekeeping inspections will be used to determine whether the applicant's housekeeping would contribute to health or sanitation problems. MHA staff completing the home visit must consider whether the conditions they observe are the result of the applicant's treatment of the unit or whether they are caused by the unit's overall substandard condition.
 - (i) Housekeeping criteria shall include, but not be limited to:
 - a) Conditions in living room, kitchen (food preparation and clean-up), bathroom, bedrooms, entranceways, halls, and yard (if applicable);
 - b) Cleanliness in each room; and
 - c) General care of appliances, fixtures, windows, doors and cabinets.
 - (ii) Other MHA lease compliance criteria will also be checked, such as:
 - a) Evidence of destruction of property;
 - b) Unauthorized occupants;
 - c) Evidence of criminal activity; and
 - d) Conditions inconsistent with application information.
 - (iii) All applicants shall have at least two days' advance written notice of Home Visits.

(iv) The purpose of the Home Visit is to obtain information to be used in determining the applicant's compliance with Applicant Screening Criteria.

(h) MHA's examination of relevant information respecting past and current habits or practices will include, but is not limited to, an assessment of:

- The applicant's past performance in meeting financial obligations, especially rent and utility bills.
- A record of disturbance of neighbors (sufficient to warrant a police call) destruction of property, or living or housekeeping habits at present or prior residences that may adversely affect the health, safety, or welfare of other tenants or neighbors. [Required, 24 CFR § 960.202]
- Any history of criminal activity on the part of any applicant family member involving crimes of physical violence to persons or property and other criminal acts including drug-related criminal activity that would adversely affect the health, safety, or welfare of other residents or staff or cause damage to the unit or the development. [Required, 24 CFR § 960.205 & the Anti-Drug Act of 1988 H.R.5210]
- A record of eviction from housing or involuntary termination from residential programs (taking into account date and circumstances).
- An applicant's ability and willingness to comply with the terms of MHA's lease. [24 CFR § 8.2 Definition: Qualified Individual with Handicaps]
- Have previously been evicted from public housing.
- Committed acts, which would constitute fraud in connection with any federally, assisted housing program.
- Did not provide information required within the time frame specified during the application process.
- Convicted of drug-related criminal activity or violent criminal activity.
- During the interview process the applicant demonstrates hostile behavior that indicates that the prospective applicant may be a threat to our public housing residents or staff.
- The applicant family must have properly completed all application requirements, including verifications. Intentional misrepresentation of income, family composition or any other information affecting eligibility, will result in the family being declared ineligible. In the event the misrepresentation is discovered after admission, the lease will be terminated for such misrepresentation.
- The applicant and all adults must sign a release allowing the HA to request a copy of a police report from the National Crime Information Center, Police Department or other Law Enforcement Agencies. If the HA uses the information to deny or terminate assistance the HA must provide a copy of the information or source used in accordance with Criminal Records Management Policy.
- If the applicant is a former Public Housing or Section 8 participant who vacated Unit in violation of his lease, the applicant may be declared ineligible.
- If the HA determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The HA may waive this requirement if:

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1. The person demonstrates to the HA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
2. Has successfully completed a supervised drug or alcohol rehabilitation program;
3. Has otherwise been rehabilitated successfully; or
4. Is participating in a supervised drug or alcohol rehabilitation program.

Note: The above list is not intended to be all-inclusive. Applicants may be denied admission if the HA has reason to believe that the conduct of the applicant has been such as would be likely to interfere with other tenants in such a manner as to diminish their enjoyment of the premises by adversely affecting their health, safety, or welfare or to affect adversely the physical environment or the financial stability of the project if the applicant were admitted to the project.

- If an applicant is denied admission, the HA will notify the applicant, in writing, of its determination and inform the applicant that they have an opportunity for an informal meeting on such determination. The denial letter will allow the applicant ten (10) calendar days to request, in writing, an informal meeting with the HA. A HA representative will hear the appeal and issue a decision within ten (10) calendar days of the meeting.
- As a general rule applicants may be denied admission to Public Housing for the following time frames, which shall begin on the date of application, unless otherwise provided for above:
 - A. Denied admission for one (1) year for the following:
 1. Applicant must have no history of disturbing neighbors, destroying property, or negative living and housekeeping habits at prior and/or current residences.
 2. Applicant must have no history of subletting.
 3. Applicant demonstrates hostile behavior during the interview process that indicates that the applicant may be a threat to our residents.
 - B. Denied admission for three (3) years for the following:

Applicant has been evicted because of drug-related criminal activity from housing assisted under the U.S. Housing Act of 1937 (e.g. Public Housing or Section 8) or convicted of drug-related criminal activity beginning on the date of such eviction or conviction.
 - C. Denied admission permanently for the following:
 1. Applicants who have been convicted of manufacturing or producing methamphetamine on the premises of any HUD-assisted housing. HUD regulations require that MHA permanently bar any individual with such a conviction.

2. An applicant or household member that is subject to a lifetime registration requirement under a State sex offender registration program. HUD regulations require that MHA permanently bar any individual subject to such requirements.

- (i) An applicant's intentional misrepresentation of any information related to eligibility, award of preference for admission, housing history, allowances, family composition or rent will result in rejection. Unintentional mistakes that do not confer any advantage to the applicant will not be considered misrepresentations.
- (j) Applicants must be able to demonstrate the ability and willingness to comply with the terms of MHA's lease, either alone or with assistance that they can demonstrate they have or will have at the time of admission.⁵ [24 CFR § 8.2 Definition: Qualified Individual with Handicaps] Availability of assistance is subject to verification by MHA.

3. Screening applicants who claim mitigating circumstances

- (a) If negative information is received about an applicant, MHA shall consider the time, nature, and extent of the applicant's conduct and, factors that might indicate a reasonable probability of favorable future conduct. To be factored into MHA's screening assessment of the applicant, mitigating circumstances must be verifiable. [Required, 24 CFR §960.205(d)]
- (b) Mitigating circumstances⁶ are facts relating to the applicant's record of unsuitable rental history or behavior, which, when verified, indicate both: (1) the reason for the unsuitable rental history and/or behavior; and (2) that the reason for the unsuitable rental history and behavior is no longer in effect or is under control, **AND** applicant's prospect for lease compliance is an acceptable one, justifying admission. Mitigating circumstances would overcome or outweigh information already gathered in the screening process.
- (c) If the applicant asserts that the mitigating circumstances relate to a change in disability, medical condition or course of treatment, MHA shall have the right to refer such information to persons qualified to evaluate the evidence and verify the mitigating circumstance. MHA shall also have the right to request further information reasonably needed to verify the mitigating circumstance, even if such information is of a medically confidential nature. Such inquiries will be limited to the information necessary to verify the mitigating circumstances claimed by the applicant or, in the case of a person with disabilities, to verify a reasonable accommodation.
- (d) Examples of mitigating circumstances might include: [Required, 24 CFR § 960.205 (d)],
 - (i) Evidence of successful rehabilitation;

⁵ Applicants whose landlord, financial, criminal and other references demonstrate that they are already willing and able to comply with lease terms in their existing housing will be considered to have met this criterion, whether or not they are disabled. Applicants whose housing situations make it difficult for MHA to determine whether or not they are able and willing to comply with lease terms (e.g. because they are homeless, are living with friends or relatives, or have other non-traditional housing circumstances) will have to demonstrate ability and willingness to comply with lease terms whether or not they are disabled.

⁶ The discussion of mitigating circumstance in this paragraph is applicable to all applicants. MHA is required by regulation to consider mitigating circumstance, see 24 CFR § 960.205 (d)

- (ii) Evidence of the applicant family's participation in social service or other appropriate counseling service; or
 - (iii) Evidence of successful and sustained modification of previous disqualifying behavior.
- (e) Consideration of mitigating circumstances does not guarantee that applicant will qualify for admission. MHA will consider such circumstances in light of:
- (i) The applicant's ability to verify the claim of mitigating circumstances and his/her prospects for improved future behavior;
 - (ii) The applicant's overall performance with respect to all the screening requirements; and
 - (iii) The nature and seriousness of any criminal activity, especially drug related criminal activity that appears in the applicant's record.
- (f) MHA will not use open (unresolved) arrest without conviction for either violent or drug related criminal activity when processing applications. MHA will make a determination on a case by case basis, once the arrest is resolved by either acquittal, dismissal, conviction or a plea of guilt. MHA will take into account the severity of the charge and rehabilitation efforts, in the event a decision is made to deny an applicant. MHA will also run an annual criminal background check on these applicants, once they are housed.

4. Qualified and Unqualified Applicants

- (a) Verified information will be analyzed and a determination made with respect to:
- (i) Eligibility of the applicant as a family; [Required, 24 CFR § 5.403]
 - (ii) Eligibility of the applicant with respect to income limits for admission; [Required, 24 CFR § 5.603]
 - (iii) Eligibility of the applicant with respect to citizenship or eligible immigration status; [24 CFR § 5.508]
 - (iv) Unit size required for and selected by the MHA;
 - (v) Preference category (if any) to which the family is entitled; [24 CFR §960.206] and
 - (vi) Qualification of the applicant with respect to the Applicant Selection Criteria. [Required, 24 CFR § 960.202]
 - (vii)-Eligibility of the applicant and all adult members of the household using the Dru Sjodin National Sex offender Database (website <http://www.nsopw.gov>) to confirm that the applicants are not Lifetime registered sex offenders. This screening should also include background checks on juvenile household members to the extent allowed by state and local law.
 - (1) In order to request information necessary to screen applicants for lifetime sex offender registration requirements, the O/A's, and MHA application shall include a question asking whether the applicant or any member of the applicant's household is subject to a lifetime state sex offender registration program in any state. Failure to respond to this question will jeopardize the approval of the application.
- (b) Families determined to be qualified will be notified by MHA of the approximate date of occupancy insofar as that date can be reasonably determined. [Required, 24 CFR § 960.208] However, the date stated by MHA is just an estimate and does not mean that applicants should necessarily expect to be housed by that date. The availability of a suitable unit to offer a family is contingent

upon many factors MHA does not control, such as turnover rates, and market demands as they affect bedroom sizes and project location. [Required, 24 CFR § 960.206(e)]

- (c) Applicants determined unqualified for admission will be promptly notified. These applicants will receive a Notice of Rejection from MHA, stating the basis for such determination. MHA shall provide such applicants with an opportunity for informal review of the determination as described in **Procedure for Informal Hearing for Rejected Applicants**. The informal hearing for applicants should not be confused with the resident grievance process. Applicants are not entitled to use of the resident grievance process. [Required, 24 CFR § 960.208]
- (d) Applicants known to have a disability that are determined eligible but fail to meet the Applicant Selection Criteria, will be offered an opportunity for a second meeting to have their cases examined to determine whether mitigating circumstances or reasonable accommodations will make it possible for them to be housed in accordance with the Screening Procedures.

G. Occupancy Guidelines

1. Units shall be occupied by families of the appropriate size. This policy maintains the usefulness of the units, while preserving them both from excessive wear and tear and under-utilization. It is also fully compliant with HUD rules related to Occupancy Standards.

Minimum and Maximum-Number-of-Persons-Per Unit Standard

<u>Number of Bedrooms</u>	<u>Min Persons/Unit (Largest Unit Size)</u>	<u>Max Persons/Unit (Smallest Unit Size)</u>
0BR	1	1
1BR	1	2
2BR	2	4
3BR	3	6
4BR	4	8
5BR	5	10
6BR	10	12

The following principles govern the size of unit for which a family will qualify. Generally, two people are expected to share each bedroom, except units will be so assigned that:

- (a) It will not be necessary for persons of different generations or opposite sex, other than husband and wife, or couple, to occupy the same bedroom, although they may do so at the request of the family.
- (b) Exceptions to the largest permissible unit size may be made in case of reasonable accommodations for a person with disabilities.
- (c) Two children of the opposite sex 5 years of age and older will not be required to share a bedroom, although they may do so at the request of the family.
- (d) An unborn child will not be counted as a person in determining unit size. A single pregnant woman may be assigned to a one-bedroom unit. In determining unit size, MHA may count a child who is temporarily away from the home because the child has been placed in foster

care, kinship care, court order custody, or is away at school. Factors that might affect the decision: length of time the family member would be housed, ages of the family members, and ability to use the living room as sleeping quarters.

- (e) A single head of household parent shall not be required to share a bedroom with his/her child over the age of four, although they may do so at the request of the family.
- (f) A live-in attendant may be assigned a bedroom. Single elderly or disabled residents with live-in attendants will be assigned one or two bedroom units.

2. The Local Housing Code of two persons per bedroom will be used as the standard for the smallest unit a family may be offered. Individual housing units with very small or very large bedrooms or other specific situations that inhibit or encourage lower or higher levels of occupancy may be permitted to establish lower or higher occupancy levels. The MHA must make the case that such occupancy levels will not have the effect of discriminating on the basis of familial status.

3. The largest unit size that a family may be offered would provide no more than one bedroom per family member, taking into account family size and composition.

4. When a family applies for housing, and each year when the waiting list is updated, some families will qualify for more than one unit size. Both at application and at update, the MHA will choose the waiting sublist corresponding to one of the unit sizes for which they qualify. Factors that might affect the MHA's decision could include cultural standards; length of time the family would have to wait for smaller vs. larger units, and the age, relationship and gender of family members. Based on the MHA's choice, they will be placed on the appropriate waiting sublist by unit size.

5. When a family is actually offered a unit, if they no longer qualify for the unit size corresponding to the waiting sublist, they will be moved to the appropriate sublist, retaining their preferences and date and time of application. This may mean that they may have to wait longer for a unit offer.

6. A family that chooses to occupy a smaller size unit must agree not to request a transfer until their family size changes.

III. Tenant Selection and Assignment Plan

For Parris Towers, Powell Towers, Cumberland Towers, Sunset Terrace, and Scattered Sites

A. Organization of the Waiting List

1. Site Based Waiting List

It is MHA's policy that each applicant shall be assigned his/her appropriate place on a Site Based waiting list, in sequence based upon:

- Type and size of unit needed by the family (e.g. general occupancy building, accessible or non-accessible unit, number of bedrooms);
- Applicant preference or priority, if any; and
- Date and time the application is received.

MHA will maintain its waiting list in the form of records the type and size of unit needed, each applicant's priority/preference status, the date and time of application, and the race and ethnicity of the family head.

B. Unit Offers to Applicants

1. The plan for assignment of dwelling units to assure equal opportunity and nondiscrimination on grounds of race, color, sex, religion, national origin, disability or familial status is described below. The first qualified applicant in sequence on the waiting list is made one offer of a unit of appropriate size and type. The applicant must accept the vacancy offered or be dropped from the waiting list. Applicants who are removed from the waiting list because they refuse unit offers without good cause may not reapply for housing for 12 months.

2. MHA will first match the characteristics of the unit available to the highest ranking applicant for a unit of that size, type and special features (if any), taking into account any limitations on admission because of designated housing (if applicable). Preferences, if any, will then be used to determine the order of selection from the waiting list. If two applicants need the same type and size of unit and have the same preference status, the applicant with the earlier date and time of application will receive the earliest offer.

3. Further, in the selection of a family for a unit with accessible features, MHA will give preference to families that include a person with disabilities who can benefit from the unit features.

4. In selecting applicants for offers of units, MHA will take into account any local preferences that may be properly adopted following the statutorily required public hearing. In determining what local preferences to adopt, MHA must consider the requirements of the Quality Housing and Personal Responsibility Act of 1998 (H.R. 4194) and local housing needs and conditions.

5. The local preferences, if any, described above will be a factor in most admissions, although there may be instances (e.g. a unit with accessible features is ready and no applicant in the targeted preference group needs the features) when the MHA will make an offer to an applicant who does not qualify for a local preference. Certain types of transfers will also be processed with new admissions. See Section G. for the ratio of transfers to new admissions.

6. The applicant must accept the vacancy offered within 3 working days of the date the offer is communicated (by phone, mail, or the method of communication designated by the applicant) or be removed from the waiting list. (See good cause discussion below) All offers made over the phone will be confirmed by letter to the applicant. If unable to contact an applicant by phone the MHA will send a letter by first class mail.

7. If more than one unit of the appropriate size and type is available, the first unit to be offered will be the unit that is or will be ready for move-in first. "Ready for move-in" means the unit has no Housing Quality Standard deficiencies and is broom clean.

C. Due Process Rights for Applicants

To ensure that filling vacant units occurs in a timely manner, it is necessary to have a waiting list that is complete and accurate. While it is the responsibility of each applicant to keep MHA apprised of any changes in his/her address, phone number, family income or other family circumstances, no applicant on the waiting list, now or in the future, shall be removed from the waiting list except when one of the following situations occurs:

1. The applicant receives and accepts an offer of housing;
2. The applicant requests that his/her name be removed from the waiting list;
3. The applicant is rejected, either because he/she is ineligible for public housing at the time of certification, or because he/she fails to meet the applicant selection criteria⁷; or
4. The application is withdrawn because the MHA attempted to contact the applicant for an annual waiting list update, to schedule a meeting or interview, to offer or show a unit, or for some other reason, and was unable to contact the applicant.

In attempting to contact an applicant, the following two methods shall be undertaken before an application may be withdrawn:

- The applicant will be sent a letter by first class mail to the applicant's last known address, asking the applicant to contact MHA⁸ either by returning the update postcard or in person, bringing proof of identity;
 - When three working days have elapsed from the date when the MHA mails the letter, if there is no response from the applicant, the applicant will be sent a second letter by first class mail;
 - If an applicant contacts the MHA as required within any of the deadlines stated above, he/she shall be reinstated at the former waiting list position.
 - When MHA is unable to contact an applicant by first class mail to schedule a meeting, or interview or to make an offer, MHA shall suspend processing of that application until the applicant is either withdrawn (no contact by the applicant) or reinstated (contact by the applicant within the stated deadlines). While an application is suspended, applicants next in sequence will be processed.
5. Persons who fail to respond to MHA attempts to contact them because of situations related to a disability shall be entitled to reasonable accommodation, provided that the situation can be verified to be related to a disability. In such circumstances MHA shall reinstate these individuals to their former waiting list positions.
 6. Families whose applications are withdrawn or rejected as described above can only be placed on the waiting list again by applying for housing at a time that the waiting list is open. Families whose applications

⁷ All rejected applicants are entitled to a complete explanation of the reason for their rejection and an informal hearing at which they may present reasons why they should not be rejected. See the Procedure on Informal Hearings for Rejected Applicants.

⁸ Except that MHA shall contact persons with disabilities according to the methods such individuals have previously designated. Such methods of contact could include verbal or in-person contact or contacting relatives, friends or advocates rather than the person with disabilities.

were withdrawn for refusing unit offers without good cause may not reapply for 12 months. In these cases, they will have a new date and time of application.

D. Good Cause for Applicant Refusal of Unit Offer

If an applicant is willing to accept the unit offered but is unable to move at the time of the offer and presents to the satisfaction of MHA, clear evidence (“good cause”) that acceptance of the offer of a suitable vacancy will result in undue hardship not related to considerations of race, color, sex, religion or national origin, the applicant will not be dropped to the bottom of the list.

1. Examples of “good cause” for refusal of an offer of housing include, but are not limited to:

- The unit is not ready for move-in at the time of the offer of housing. “Ready for move-in” means the unit has no UPCS deficiencies and is broom clean. If an applicant refuses a unit because it is not ready for move-in, the applicant will be offered the next unit that is ready for move-in;
- The unit is inaccessible to source of employment, education, or job training, or educational program for children with disabilities⁹, so that accepting the unit offer would require the adult household member to quit a job, drop out of an educational institution or job training program, or an educational program for children with disabilities;
- The family demonstrates to MHA’s satisfaction that accepting the offer will place a family member’s life, health or safety in jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption;
- A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (each as listed on final application) or live-in aide necessary to the care of the principal household member;
- The unit is inappropriate for the applicant’s disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30 day notice to move; or
- An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing; or
- The applicant is serving in a sequestered jury at the time of the unit offer.

2. The applicant must be able to document that the hardship claimed is good cause for refusing an offer of housing. Where good cause is verified, the refusal of the offer shall not require that the applicant be dropped to the bottom of the waiting list or otherwise affect the family’s position on the waiting list. (In effect, the family’s application will remain at the top of the waiting list until the family receives an offer for which they have no good cause refusal.)

3. MHA will maintain a record of units offered, including location, date, and circumstances of each offer, and each acceptance or refusal, including the reason for the refusal.

E. Dwelling Units with Accessible/Adaptable Features

1. Before offering a vacant accessible unit to a non-disabled applicant, MHA will offer such units:

⁹ If the applicant has a child participating in such a program.

- First, to a current occupant of another unit of the same development, or other public housing developments under MHA's control, having a disability that requires the special features of the vacant unit (in effect, a transfer of the occupant with disabilities from a non-adapted unit to the vacant accessible/adapted unit).
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

2. When offering an accessible/adaptable unit to a non-disabled applicant, MHA will require the applicant to sign an agreement to move to an available non-accessible unit within 30 days when either a current resident or an applicant with a disability needs the unit. This requirement is also reflected in the lease agreement signed with the applicant.

F. Leasing and Occupancy of Dwelling Units

Initial intake and applications for admission and transfer will be processed at the Site Office. Waiting list management, screening, and assigning of housing (including transfers) will be made from the Site Office, to be monitored by the Property Manager and Director of Public Housing. Offers may be made in person, in writing or by phone from the Site Office or the development.

G. Transfers

MHA has five possible types of transfers: Emergency, Administrative - Category 1, Category 2 and Category 3, and Incentive¹⁰ transfers. The definition of each type of transfer is found in the Transfer section of the Admissions and Occupancy Policy.

1. Emergency and Category 1 and 2 administrative transfers and Incentive transfers will take priority over admissions. Category 3 administrative transfers will be processed at the rate of five admissions to each transfer when MHA occupancy rates are at 95% or higher. The specific definitions of each type of transfer are covered in Section VI, Transfers, below.
2. Tenants on the transfer list may refuse transfer offers for the "good cause" reasons cited in Section D above without losing their position on the transfer list.
3. Tenants who refuse a transfer offer without good cause may be removed from the transfer list and tenants whose transfers are mandatory are subject to lease termination.
4. Tenants are entitled to use the MHA Grievance Procedure if they are refused the right to transfer or if MHA is requiring them to transfer and they do not want to do so.

¹⁰ If the MHA has no units appropriate for Incentive Transfers, but such units are developed or acquired in the future, this policy will be activated by Board resolution.

IV. MISSED APPOINTMENTS

An applicant or tenant who fails to keep an appointment without notifying the HA and without re-scheduling the appointment shall be sent a notice of termination of the process for failure to supply such certification, release of information or documentation as the HA or HUD determines to be necessary (or failure to allow the HA to inspect the dwelling unit at reasonable times and after reasonable notice, if applicable) in the following situations:

1. Complete Application
2. Bringing in Verification Information
3. Briefing prior to Occupancy
4. Leasing Signature
5. Inspections
6. Recertification
7. Interim Adjustment
8. Other Appointments or Requirements to Bring in Documentation as Listed
9. Scheduled Counseling Sessions
10. Move-In appointments

Process When Appointment(s) Are Missed: - For most of the functions above, the family may be given two appointments.

If the family does not appear or call to reschedule the appointment(s) required, the HA may begin termination procedures. The applicant or tenant will be given an opportunity for an informal meeting or hearing, as appropriate pursuant to the grievance process.

If the representative of the HA and/or Hearing Officer makes a determination in favor of the applicant/tenant, the HA will comply with decision unless the provisions of Section VI of the Grievance Procedure is applicable to the hearing officers decision.

Letters Mailed to Applicants by the HA: - If an applicant claims they did not receive a letter mailed by the HA that requested the applicant to provide information or to attend an interview, the HA will determine whether the letter was returned to the HA. If the letter was not returned to the HA, the applicant will be assumed to have received the letter.

If the letter was returned to the HA and the applicant can provide evidence that they were living at the address to which the letter was sent, the applicant will be reinstated with the date and time of the application in effect at the time the letter was sent.

Applicants must notify the HA, in writing, if their address changes during the application process.

V. Leasing Policies

A. General Leasing Policy

1. All units must be occupied pursuant to a lease that complies with HUD's regulations [Required, 24 CFR § 966.4].
2. The lease shall be signed by the head, spouse, and all other adult members of the household accepted as a resident family and by an authorized representative of MHA, prior to actual admission. [24 CFR § 966.4 (p)]
3. Changes in family composition, income, or status between the time of the interview with the applicant and the showing of the unit, or between annual reexaminations will be processed at the Site Office or Development.
4. If a resident transfers from one MHA unit to another, a new lease will be executed for the dwelling into which the family moves. [24 CFR § 966.4 (c)(3)]
5. If at any time during the life of the lease agreement, a change in the resident's status results in the need for changing or amending any provision of the lease, either:
 - (a) A new lease agreement will be executed, or
 - (b) An appropriate rider will be prepared and made a part of the existing lease except for interim redetermination of rent or family composition or policies, rules, or regulations. [24 CFR§966.5] . All copies of such riders or insertions are to be dated and signed by the Resident and an authorized representative of the Housing Authority. [24 CFR § 966.4 (o)]
6. Residents must advise MHA if they will be absent from the unit for more than 7 days. Residents are required to notify the Property Manager and make arrangement to secure the unit and provide a means for MHA to contact the resident in the event of an emergency. Failure to advise MHA of an extended absence is grounds for termination of the lease.

B. Showing Units Prior to Leasing

1. When offering units, MHA will provide the applicant with a brief property description and other information to help orient the applicant to the neighborhood and location in the property. Staff making offers will be familiar with MHA's housing sites. If the offer of a unit is preliminarily accepted by the applicant, the Site Office will contact the applicant to set up a date to show the unit. (Intake procedures are described more fully in **MHA Procedure on Taking Applications and Initial Processing**.)
2. Once the unit is shown and the applicant accepts the unit, the Site Office will execute a lease. If the applicant refuses the unit, a signed reason for refusal will be obtained from the applicant, if possible. The form is then reviewed by the Site Office for a "good cause" determination. **No lease will have an effective date before the unit is ready for occupancy.** [24 CFR§ 966.4 (i)]
3. The Site Office will show and lease units of the appropriate size.

If an exception to MHA's largest unit standard is approved for the applicant, this information will be noted in the resident folder. No exceptions will be granted to the smallest unit standard, since this would result in overcrowding.

C. Occupancy, Additions to the Household and Visitors

1. Only those persons listed on the most recent certification form and lease shall be permitted to occupy a dwelling unit. [24 CFR § 966.4(a)] Except for natural births to or adoptions by family members, any family seeking to add a new member must request approval in writing prior to the new member occupying the unit. This would include situations in which a resident is granted custody of a child or children not previously listed

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on the application or lease. Also included, would be situations in which a person (often a relative) came to the unit as a visitor but stayed on in the unit because the tenant needed support, for example, after a medical procedure. [24 CFR § 966.4 (f) & (c)(2)] All persons listed on the most recent certification form and the lease must use the dwelling unit as their sole residence.

2. Following receipt of a family's request for approval to add a new person or persons to the lease, MHA will conduct a pre-admission screening of any proposed new adult members. The results of screening shall be used to determine whether the MHA will approve admitting the new member.

Children under the age below which Juvenile Justice records are made available, or added through a formal custody award or kinship care arrangement are exempt from the pre-admission screening process, although the resident still needs prior permission from MHA to add children other than those born to or adopted by family members. The exemption age specified in this paragraph is subject to change should the State or locality modify its laws concerning the availability of police or court records for juvenile offenders.

3. Examples of situations where the addition of a family or household member is subject to screening are:

- (a) Resident plans to be married and files a request to add the new spouse to the lease;
- (b) Resident is awarded custody of a child over the age for which juvenile justice records are available;
- (c) Resident desires to add a new family member to the lease, employ a live-in aide, or take in a foster child (ren) over the age for which juvenile justice records are available;
- (d) A unit is occupied by a remaining family member(s) under age 18 (who is not an emancipated minor) and an adult, not a part of the original household, requests permission to take over as the head of the household; and
- (e) Resident is being considered for an Incentive Transfer.

4. Residents who fail to notify MHA of additions to the household or who permit persons to join the household without undergoing screening are in violation of the lease. Such persons will be considered unauthorized occupants by MHA and the entire household will be subject to eviction. [24 CFR § 966.4 (f)]

5. Visitors may be permitted in a dwelling unit so long as the visitors have no previous history of behavior on MHA premises that would be a lease violation. Visits of less than three days need not be reported to or approved by the Property Manager, unless otherwise posted. Visits of more than three and less than 14 days are permitted, provided they are reported to the Property Manager within 72 hours and authorized by the Property Manager. Visits of more than 14 calendar days shall be authorized only by the Director of Public Housing with advance documentation of extenuating circumstances. Visitors remaining beyond this period shall be considered trespassers and the head of the household shall be guilty of a breach of the lease.

6. In accordance with the lease, roomers and lodgers shall neither be permitted to occupy a dwelling unit, nor shall they be permitted to move in with any family occupying a dwelling unit. Violation of this provision is ground for termination of the lease. [24 CFR § 966.4 (f) (2)]

7. Residents will not be given permission to allow a former resident of MHA who has been evicted to occupy the unit for any period of time. Violation of this requirement is ground for termination of the lease.

8. Family members over age 17 or emancipated minors who move from the dwelling unit to establish new households shall be removed from the lease. [24 CFR § 966.4 (f)] The resident has the responsibility to report the move-out within 10 calendar days of its occurrence.

These individuals may not be readmitted to the unit and must apply as new applicant households for placement on the waiting list (subject to applicable income limits, preferences, resident selection, and

screening requirements). Medical hardship or other extenuating circumstances shall be considered by MHA in making determinations under this paragraph.

9. Marriage: Both parties of marriages must pass initial screening. Failure to pass screening by either member disqualifies both parties from admission to Public Housing. At any time either party of the marriage is disqualified from Public Housing, both parties of the lease will be terminated.

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VI. Transfer Policy

A. General Transfer Policy

1. It is MHA's policy that transfers will be made without regard to race, color, national origin, sex, religion, or familial status. Residents can be transferred to accommodate a disability. [Required, 24 CFR § 100.5]
2. Residents will not be transferred to a dwelling unit of equal size within a site or between sites except to alleviate hardship of the resident or other undesirable conditions as determined by the Executive Director or designee. **Residents wanting to transfer to another Site or Development must submit a Transfer Request to their site manager for initial approval. This request will then be forwarded to the Director of Asset Management for final approval. Once the Transfer Request is approved, the receiving site manager will process the request by the type of transfer, then the date and time the transfer was approved.**
3. Residents will receive one offer of a transfer. Refusal of that offer without good cause will result in lease termination for mandatory transfers or the removal of the household from the transfer list for voluntary transfers. The good cause standard applicable to new admissions shall apply to transfers.

B. Types of Transfers

1. This policy sets forth several categories of transfers. Priority for transfer and the order in which families are transferred shall be subject to the hierarchy by category set forth below.

- (a) Emergency Transfers are **mandatory** when the unit or building conditions poses an immediate threat to resident life, health or safety, as determined by MHA. Emergency transfers within sites or between sites may be made to: permit repair of unit defects hazardous to life, health, or safety; alleviate verified disability problems of a life threatening nature; or, based on threat assessment by a law enforcement agency, protect members of the household from attack by the criminal element in a particular property or neighborhood.

These transfers shall take priority over new admissions.

- (b) Category 1 Administrative Transfers include mandatory transfers to: remove residents who are witnesses to crimes and may face reprisals (as documented by a law enforcement agency); provide housing options to residents who are victims of hate crimes or extreme harassment; alleviate verified medical problems of a serious (but not life-threatening) nature; permit modernization or demolition of units; or permit a family that requires a unit with accessible features to occupy such a unit.

These transfers shall take priority over new admissions.

Requests for these transfers will be made to the Site Office. The Resident shall provide the necessary documentation to substantiate the need for transfers. Transfers may also be initiated by MHA (e.g. moving a person with mobility problems to a unit with accessible features).

- (c) Category 2 Administrative Transfers are mandatory transfers within sites or between sites to correct serious occupancy standards problems (under the MHA's standards) as described below.

These transfers can take priority over new admissions.

Category 2 transfers to correct occupancy standards will only be made if the family size is so large that the household members over age 4 would equal more than two persons per bedroom (underhoused). **These transfers are mandatory.**

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If a family's size is between the smallest and largest size permissible for the unit, the family may request a transfer, but it shall be considered a Category 3 transfer.

- (d) Category 3 Administrative Transfers are mandatory transfers within sites or between sites may be made to: transfers to correct occupancy standards will only be made if the family size is so small that it includes fewer persons than the number of bedrooms (overhoused). Correct and avoid concentration of the most economically and socially deprived families; correct occupancy standards (Voluntary if the family is between the minimum and maximum occupancy standard but the family requests a transfer, e.g. to permit older children of opposite sexes to have separate bedrooms); or address situations such as neighbor disputes that are not criminal but interfere with the peaceful enjoyment of the unit or common areas.

These transfers will not take priority over new admissions. They can be processed at the rate of one transfer to five admissions.

- (e) Incentive Transfers: As described in detail below, Incentive Transfers are offered to new or recently modernized units, including townhouses, on a nondiscriminatory basis to residents with good rental histories.

These transfers can take priority over new admissions, with transfers being processed at the rate of three transfers to each admission.

2. Whenever feasible, transfers will be made within a resident's area.

C. Processing Transfers

1. A site based transfer waiting list will be administered by Site Office. Property Manager is responsible for submitting requests for transfer including necessary documentation to Director of Property Management for approval.

2. Transfers will be sorted into their appropriate categories by the Occupancy staff. Admissions will be made in the following order:

- First: Emergency transfers, then
- Category 1 Administrative Transfers,
- Category 2 Administrative Transfers,
- Incentive Transfers, at a rate of (3) three transfers to each admission, when occupancy rates are above 95%.
- Category 3 Administrative Transfers at a rate of (5) five transfers to each admission. , When occupancy rates are above 95%.

Within each category, transfer applications will be sorted by the date the completed file (including any verification needed) is received from the manager.

3. Category 2 transfers to correct occupancy standards may be recommended at time of re-examination or interim redetermination. This is the only method used to determine over/under-housed status.

4. Residents in a Category 2 under housed status will be advised in their 30 day "Notice of Result of Reexamination" that a transfer is recommended and that the family has been placed on the transfer list. Site Office will record transfer recommendations and forward to Director of Property Management for review.

5. When a head of a household, originally housed in a bedroom by him/herself, has or adopts a child, the family will not be approved for a Category 2 transfer until the child is two (2) years of age. Exceptions:

spouse or partner returns to the unit, marriage takes place, or family decides to remain in the unit and the unit is large enough (using the smallest-unit standard) to accommodate the number of persons now in the household. (Other than for births or adoptions that occur during tenancy, MHA's prior approval of additions to the household is required.)

6. Split-family transfers will be processed as Category 2 administrative transfers. Families that split into 2 "new" households may be transferred to two different units or a portion of the "old" household may be transferred to a single unit depending on family circumstances and unit availability. Options for split-family transfers will be considered in order to minimize the impact on vacant units. Such transfers will be made in a manner that best benefits MHA.

7. Category 3 administrative transfers will be processed with new admissions using a ratio of 1 transfer for every 5 new admissions. This ratio is discretionary and will be reviewed at least annually to determine its effects on vacancy. Based on recommendations from staff, the Executive Director may authorize a change in this ratio or suspend the processing of this type of transfer.

D. Good Record Requirement for Transfers

1. In general, and in all cases of all resident-requested transfers, residents will be considered for transfers only if the head of household and any other family members for the past two years:

- (a) Have not engaged in criminal activity that threatens the health and safety of residents and staff;
- (b) Do not owe back rent or other charges, or evidence a pattern of late payment;
- (c) Meet reasonable housekeeping standards and have no housekeeping lease violations; and
- (d) Can get utilities turned on in the name of the head of household (applicable only to properties with tenant-paid utilities).

2. Exceptions to the good record requirements will be made for emergency transfers or may be made when it is to MHA's advantage (e.g. a single person is living alone in a three bedroom unit and does not want to move) to move forward with the transfer. The determination to make an exception to the good record requirement will be made by the Director of Property Management taking into account the recommendation by the Property Manager.

Absent a determination of exception, the following policy applies to transfers:

- (a) If back rent is owed, the resident will not be transferred until a payment plan is established or, if prior payment plans have failed; back rent is paid in full.
- (b) A resident with housekeeping standards violations will not be transferred until he/she passes a follow-up housekeeping inspection.

E. Incentive Transfers

1. Incentive transfers are offered to residents without regard to their race, color, national origin, religion, sex, disability or familial status, who have good rental histories and want to move to units other than those they currently occupy.

- (a) Incentive Transfers - MHA may occupy recently modernized and scattered site units through incentive transfers. Depending on MHA's vacant unit status, modernized units will be filled with incentive transfers, new applicants, or a combination of both. MHA reserves the right to fill modernization units in a manner that has the least impact on vacant units.

(b) Resident requests for incentive transfers should be made to the Director of Public Housing. Property Manager may also recommend a resident for an incentive transfer. For a resident to be considered for an incentive transfer, the following conditions must be met.

(i) Residency in a MHA development for at least three years.

(ii) No more than one repayment agreements, or unpaid balances at any time in the past two (2) years.

(iii) No history of disturbances that resulted in lease violations or violence toward staff or neighbors as indicated by notices of lease violation in the applicant's file.

(iv) Good housekeeping record.

2. Incentive transfers are Category 2 administrative transfers.
3. No exceptions will be granted to the good record requirement for incentive transfers.
4. Denial of an Incentive Transfer is subject to the Grievance Procedure.

F. Cost of Transfers

1. Residents shall bear the cost of transfers to correct occupancy standards. However, where there is a hardship due to health, disability, or other factors, the Property Manager may recommend that families be reimbursed their out-of-pocket expenses for an occupancy standards transfer in an amount not to exceed a reasonable moving allowance established by MHA. Transfers requested or required by MHA may be paid for or made by MHA.

2. The Landlord may provide movers for elderly and handicapped residents who are required to move as a result of being overhoused/underhoused.

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VII. Eligibility for Continued Occupancy, Annual Reexaminations, and Remaining Family Members

A. Eligibility for Continued Occupancy

Residents who meet the following criteria will be eligible for continued occupancy:

1. Qualify as a family as defined in Section XIII of this policy. (Note: For purpose of continued occupancy, remaining family members qualify as a family so long as at least one of them is of legal age to execute a lease. Remaining family members can also include court recognized emancipated minors under the age of 18.)
2. Are in full compliance with the resident obligations and responsibilities as described in the dwelling lease.
3. Whose family members, of any age, each have Social Security numbers or have certifications on file indicating they have no Social Security number.
4. Who meet HUD standards on citizenship or immigration status or are paying a pro-rated rent. [24 CFR § 5.508]
5. Who are in compliance with the MHA's 8 hour per month community service requirements (applicable to certain adults who are neither elderly, disabled, working nor participating in qualifying educational or job training programs).
6. The Recertification/Reexamination documents include a question asking whether the tenant or any member of the tenant's household is subject to a lifetime state sex offender registration program in any state. This information will be verified by using the Dru Sjodin National Sex Offender Database and this documentation will be maintained in the resident's file.
7. Reexaminations are done annually at each site for each resident. Notification of the reexam process must begin at least 120 days prior to the effective date of the reexam. Verifications must be dated within 60 days of the reexam or interim effective date. The anniversary date for each resident reexam to be effective is the date of move in.
8. Has an Annual Income (as defined in Section XII of this document) that does not exceed the income limits (maximum incomes by family size established by HUD) posted in MHA offices.

B. Work Activity as a Condition of Continued Occupancy (See PIH 2011-33)

Tenants of Powell Towers and Scattered Sites are subject to the following requirements as a condition of continued occupancy:

1. MHA shall require residents to engage in 20 hours per week of work activity, [Section XVI, 24 CFR 5.603 and the Social Security Act 42 USC 607(d)].
2. If tenant becomes unemployed or underemployed, MHA may relocate affected households to another public housing unit within its jurisdiction. The alternate unit must satisfy the household's occupancy needs including being of an equivalent size and with any needed accessibility features. However, if a tenant at one of these developments becomes unemployed or underemployed as a result of becoming disabled, the tenant must be allowed to remain at the development.
3. MHA shall give affected households a reasonable period of time to search for new employment, enroll in a job training program or in an economic self-sufficiency program. An economic self-sufficiency program is defined as any program designed to encourage, assist, train or facilitate economic independence of HUD-assisted families or to provide work for such families. [24 CFR 5.603(b)]

4. A family where the head, spouse, or sole member is employed shall meet the requirement for work activity. Households where the head and spouse, or sole member is age 62 or older, or is a person with disabilities would also be eligible to reside at developments where work activity is a condition of continued occupancy.

C. Remaining Family Members and Prior Debt

1. As a party to the lease, remaining family members 18 years of age or older (other than the head or spouse) will be held responsible for arrearages incurred by the former head or spouse. MHA will not hold remaining family members (other than the head or spouse) responsible for any portion of the arrearage incurred prior to the remaining member attaining age 18.
2. Remaining family members under age 18 shall not be held responsible for the rent arrearages incurred by the former head of household.

D. Periodic Reexamination

1. Regular reexaminations: MHA shall, at least once a year, re-examine the incomes of all resident families, except those paying Flat rents, for whom reexaminations of income will occur every three years. [24 CFR § 960.257]
2. Special Reexaminations: When it is not possible to estimate projected family income with any degree of accuracy at the time of admission or regular reexamination, a temporary determination will be made with respect to income and a special reexamination will be scheduled every 60 days until a reasonably accurate estimate of income can be made. The resident will be notified in advance as to the date for the special reexamination(s). Special reexamination shall also be conducted when there is a change in the head of household that requires a remaining family member to take on the responsibilities of a leaseholder.
3. Zero Income Families: Unless the family has income that is excluded for rent computation, families reporting zero income or low income of \$200 or less per month will have their circumstances examined every 30 days until they have income. Persons claiming zero income will also be asked to complete a family expense form. The form will ask residents to estimate how much they spend on: telephone, cable TV, food, clothing, transportation, health care, child care, debts, household items, etc. Residents will then be asked how they pay for these items. Regular contributions towards these or other expenses will be calculated as income. (See also VII.F. Verifying Annual Income).

5. Reexamination Procedures

- (a) At the time of reexamination, all adult members of the household will be required to sign an application for continued occupancy and other forms required by HUD.
- (b) Employment, income, allowances, Social Security numbers, and such other data as is deemed necessary will be verified, and all verified findings will be documented and filed in the resident's folder.
- (c) A credit check may be run at recertification to help detect any unreported earned income, and family members not reported on the lease See Section XII. Verification Standards and Enterprise Income Verification System (EIV). [24 CFR §§ 960.257 & 259] **EIV REPORT MUST BE DONE ON EACH RESIDENT AT REEXAMS. EIV REPORT MAY ALSO BE DONE AT OTHER TIMES DURING TENANCY.**
- (d) Verified information will be analyzed and a determination made with respect to:
 - (i) Eligibility of the resident as a family or as the remaining member of a family;
 - (ii) Unit size required for the family (using the Occupancy Guidelines); and
 - (iii) Rent the family should pay.

- (e) Residents with a history of employment whose regular reexamination takes place at a time that they are not employed will have income anticipated based on their past and anticipated employment. Residents with seasonal or part-time employment of a cyclical nature will be asked for third party documentation of the circumstances of their employment including start and ending dates.
- (f) Income shall be computed in accordance with the definitions and procedures set forth in Federal regulations and this policy. [24 CFR Part 5]
- (g) Families failing to respond to the initial reexamination appointment will be issued a final appointment within the same month. Failure to respond to the final request will result in the family being sent a notice of lease violation for failure to comply with the terms and conditions of occupancy required by the lease. Failure to comply will result in termination of the lease. [24 CFR § 966.4 (c)(2)]

6. Action Following Reexamination

- (a) If there is any change in rent, the lease will be amended, or a new lease will be executed, or a Notice of Rent Adjustment will be issued. [24 CFR § 966.4 (c) & (o)]
- (b) If any change in the unit size is required, the resident will be placed on a transfer list in accordance with the transfer criteria described above in this policy and moved to an appropriate unit when one becomes available. [24 CFR § 966.4 (c)(3)]

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VIII. Interim Rent Adjustments: Fixed Rent System

A. Rent Adjustments

1. Residents are required to report all changes in family income, composition or status to the Site Office in which resident resides within 10 calendar days of the occurrence. Failure to report within the 10 calendar days may result in a retroactive rent increase, but not a retroactive credit or rent reduction. In order to qualify for rent reductions, residents must report income decreases promptly. Residents are also required to report interim increases in income if they have been granted interim rent reductions.

INCOME CHANGE	MHA ACTION
(a) Decrease in income for any reason, except for decrease that lasts 30 days ¹¹ . Increase in income following MHA granting of interim rent decrease.	MHA will process an interim reduction in rent if the income decrease will last more than 30 days. MHA will process an interim increase for income increases that follow interim rent reductions.
(b) Increase in earned income from the employment of a current household member.	MHA will either defer the increase to the next regular reexamination or, if the individual is eligible for an earned income disallowance, will grant the disallowance.
(c) Increase in unearned income (e.g. COLA adjustment for social security.)	MHA will defer the increase to the next regular reexamination.
(d) Increase in income because a person with income (from any source) joins the household.	MHA will process an interim increase in rent if the income change will last more than 30 days.

2. **Annual Income excluded (EID):** The entire amount of increased earned income is excluded for the first 12 months following the point when the employment begins, and 50-percent of the increased amount is excluded for the second 12 months after the beginning of employment. There is a maximum term for the combined full and 50-percent exclusion of 48 months beginning the month following the time of the first employment-related exclusion. If residents fail to report in a timely manner, the MHA may assume that they are still employed and that the exclusion period is still in effect. Note: See Section XII, B. 13.

3. MHA wishes to encourage families to improve their economic circumstances, so most changes in family income between reexaminations will not result in a rent change. MHA will simply make a note of the reported increase in the resident's file. MHA will process interim increases in rent in accordance with the information below: [24 CFR § 960.257 (b)]

4. Interim Redetermination of Rent: - Rent as set at admission or Annual Re-examination will remain in effect for the period between regular rent determinations unless changes in family circumstances occur. Tenant is required and agrees to report, in writing, the following specified changes in family income and composition within ten (10) calendar days of occurrence.

- A. Loss or addition to family composition of any kind through birth, death, marriage, divorce, removal or other continuing circumstance and the amount, if any, of such family member's

¹¹ Decreases in income resulting from welfare fraud or from welfare cuts for failure to comply with economic self-sufficiency requirements are not eligible for rent reductions.

income. Any such additions, other than birth, must be approved by the HA in advance, and must qualify, the same as an applicant or any prospective new tenant.

- B. The starting of employment or receiving of unemployment benefits of the family head, spouse, or other wage earner eighteen (18) years of age or older, unless income qualifies for EID.
 - C. The starting of or stopping of, or an increase or decrease of any benefits or payments received by any member of the family or household from Old Age Pension, Aid for Dependent Children, Black Lung, Railroad Retirement, Private Pension Fund, Disability Compensation, Veterans Administration, Child Support, Alimony, Regular Contributions or Gifts. Lump sum payments or retroactive payments of benefits from any of the above sources which constitute the sum of monthly payments for a preceding period paid in a lump sum must be reported and rent adjusted retroactively on such income to date of eligibility for any family member residing in the household for that period of time.
 - D. Cost of living increases in Social Security or public assistance grants need not be reported until next re-examination and redetermination of rent.
 - E. Errors of omission made at admission or re-examination shall be corrected by the HA. Retroactive payments will be made to the tenant if the error is in the tenant's favor.
 - F. A tenant who has had an income reduction/increase after initial occupancy or after annual re-examination must report all changes in income within ten (10) calendar days regardless of the amount or source.
5. Complete verification of the circumstances applicable to rent adjustments must be documented and approved by the Property Manager.
6. MHA will process interim adjustments in rent in accordance with the following policy:
- (a) When a decrease in income is reported, and the Authority receives confirmation that the decrease will last less than 30 days, an interim adjustment will not be processed.
 - (b) Residents reporting decreases in income that are expected to last more than 30 days will have an interim adjustment processed.
7. Residents granted a reduction in rent under these provisions may be required to report for special reexaminations at intervals determined by the MHA. Reporting is required until the circumstances cease or until it is time for the next regularly scheduled reexamination, whichever occurs first. If family income increases during this time, the rent will be increased accordingly. A fully documented record of the circumstances and decisions shall be included in the resident's folder.

B. Effective Date of Adjustments

Residents will be notified in writing of any rent adjustment and such notice will state the effective date of the adjustment.

- 1. Rent decreases go into effect the first of the month following the reported change. Income decreases reported and verified before the tenant accounting cut-off date will be effective the first of the following month. Income decreases reported or verified after the tenant accounting cut-off date will be effective the first of the second month with a credit retroactive to the first month.
- 2. Rent increases (except those due to misrepresentation) require 30 days notice and become effective the first of the second month.

C. **Failure to Report Accurate Information**

If it is found the resident has misrepresented or failed to report to Management the facts upon which his/her rent is based so that the rent being paid is less than what should have been charged, then the increase in rent will be made retroactive. MHA will apply any increase in rent retroactive to the month following the month in which the misrepresentation occurred. Failure to report accurate information is also grounds for initiating eviction proceedings in accordance with MHA's dwelling lease. [24 CFR § 966.4 (c)(2)]

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IX. Lease Termination Procedures

A. General Policy: Lease Termination

It is MHA's policy that no resident's lease shall be terminated except in compliance with applicable HUD regulations [24 CFR § 966.4 (l)(2)] and the lease terms.

B. Notice Requirements

1. No resident shall be given a Notice of Lease Termination without being told by MHA in writing the reason for the termination. The resident must also be informed of his/her right to request a hearing in accordance with the Grievance Procedure, and be given the opportunity to make such a reply as he/she may wish.

Certain actions receive an expedited Grievance Procedure, specifically: any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or MHA employees; and any drug-related criminal activity. [24 CFR § 966.4 (l)(3)]

2. Notices of lease termination may be served personally and posted on the apartment door.

3. The Notice shall include a statement describing rights of any resident with a disability to meet with the MHA designee and determine whether a reasonable accommodation could eliminate the need for the lease termination.

4. HUD Notice, PIH 2006-23 Informs Public Housing Agencies of the passage of Violence Against Women Act (VAWA). Violence Against Women Act prohibits the eviction of, and removal of assistance from, certain persons living in public housing if the asserted grounds for such action is an instance of domestic violence, dating violence, sexual assault, or stalking, as those terms are defined in Section 3 of the United State Housing Act of 1937 as amended by VAWA (42 U.S.C. 13925).

5. MHA will not use open (unresolved) arrest without conviction for either violent or drug related criminal activity. MHA will make a determination on a case by case basis, once the arrest is resolved by either acquittal, dismissal, conviction or a plea of guilt. MHA will review the nature of all charges and rehabilitation efforts when making final decision of lease termination. This applies to all adult household members.

C. Recordkeeping Requirements

A written record of every termination and/or eviction shall be maintained by MHA, and shall contain the following information:

- Name of resident, race and ethnicity, number and identification of unit occupied;
- Date of the Notice of Lease Termination and any other state or local notices required, which may be on the same form and run concurrently;
- Specific reason(s) for the Notice(s), with section of the lease violated, and other facts pertinent to the issuing of the Notice(s) described in detail;
- Date and method of notifying resident; and
- Summaries of any conferences held with resident including dates, names of conference participants and conclusions.

D. Lease Term and Notice To Vacate

The term of this lease shall be one calendar year, renewed as stipulated in Part I of the Lease. If the tenant submits a "notice to vacate" to vacate the premise prior to the end of the term of the lease the notice must be given 30 days in advance of the tenant vacating. The lease can only be terminated on the last day of the 30

Day "Notice to Vacate." The tenant may vacate prior to the end of the 30 Day "Notice to Vacate," but the lease will still be in effect until the last day of the 30 Day "Notice to Vacate." Once vacated the MHA will take possession. No partial or pro-rated monthly payments will be refunded.

X. Utilities

In certain of MHA's developments, residents may pay the cost of certain utilities directly to the supplier of utilities. When this is the case, resident rents are reduced by an Allowance for Utilities that is developed by MHA in consultation with an energy consultant and the utility supplier and reviewed by HUD. [24 CFR §§ 965 & 966.4 (b)(2)]

A. Resident-Paid Utilities

The following requirements apply to residents living in or applicants being admitted to developments with resident-paid utilities:

1. In developments with resident-paid utilities, each resident will receive a monthly utility allowance that reflects a reasonable amount of utilities for the specific size and type of unit occupied.
2. When a resident's Total Tenant Payment is less than the utility allowance, MHA will pay a utility reimbursement, equal to the difference between one month's total tenant payment and the utility allowance, to the resident.
3. When the supplier of utilities offers a "Budget" or level payment plan, it shall be suggested to the resident to pay his/her bills according to this plan. This protects the resident from large seasonal fluctuations in utility bills and ensures adequate heat in the winter.
4. If an applicant is unable to get utilities connected because of a previous balance owed the utility company at a prior address, applicant will not be admitted and will receive a Notice of Rejection.
5. Maintaining utility services and paying the utility bill is the resident's obligation under the Authority's lease. Failure to pay utilities is grounds for eviction.

B. Excess Utility Charges

1. Check-metered developments or buildings: In buildings that are check metered, residents shall have consumption-based utility allowances established that reflect the size and type of units and the actual equipment provided by the MHA. Monthly the check meters shall be read by the MHA and each tenant charged for any consumption in excess of the utility allowance.
2. Residents with disabilities may be entitled to higher than normal utility allowances or may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability.

XI. Flat Rents

A. Flat Rents [24 CFR §960.253(b)]

Flat rents are required by the Quality Housing and Work Responsibility Act of 1998, and are based on the market rent charged for comparable units in the private unassisted rental market. It is equal to the estimated rent for which the MHA could promptly lease the public housing unit after preparation for occupancy.. Accordingly, flat rents will vary by unit size and type and also by development location. Once each year, at the annual recertification, all residents will be offered the choice of paying an income-based rent or the Flat rent. Tenants that select flat rents will not receive a utility allowance or reimbursement. Flat rents represent the actual market value of MHA's housing units. Accordingly, MHA will take the following information into account in developing its Flat rent Schedule:

- Rents of non-assisted rental units in the immediate neighborhood
- Size of MHA's units compared to non-assisted rental units from the neighborhood
- Age, type of unit and condition of MHA's units compared to non-assisted rental units from the neighborhood
- Land use in the surrounding neighborhood
- Amenities (childcare, laundry facilities, playgrounds, community rooms, social services, education/job training programs, etc.) at MHA's properties and in the surrounding neighborhood
- Crime in MHA's developments and the surrounding neighborhood
- Quality of local schools serving each MHA development
- Availability of public transportation at each MHA development
- Availability of accessible units for persons with mobility impairments.

B. Annual Update of Flat Rents

Federal rules require MHA to review their Flat Rent structure annually and adjust the rents as needed. Factors such as improvement or decline in the MHA property or the surrounding neighborhood would affect MHA's flat rents at selected developments.

C. Recertification of Families on Flat Rents

Families paying flat rents are required to recertify income only every three years, rather than annually, although they are still required to participate in an Annual Reexamination in order to ensure that unit size is still appropriate and Community Service requirements are met.

XII. Non-Smoking Policy

A. General:

1. Accumulating evidence has shown environmental or second hand tobacco smoke increases the risk of cancer, heart disease, stroke, lung disease, and other health hazards for non-smokers as well as smokers. Smoking related fires are deadly and costly. Going smoke free eliminates the source of smoke related fires. MHA has a vital interest in maintaining a healthy and safe environment for its residents, employees, volunteers, and visitors while respecting individual choice. Consistent with these concerns and the Arkansas Clean Indoor Act, which became effective July 21, 2006, restricts smoking statewide; the following policy has been established to restrict smoking of tobacco, or any other weed or plant, and provide procedures for accommodating the preferences of both smokers and nonsmokers.
2. Smoking of prohibited tobacco products is prohibited in all buildings owned or managed by MHA as well as at some organized outdoor events on MHA property.
3. Prohibited tobacco products are defined as items that involve the ignition and burning of tobacco leaves, such as: cigarettes, cigars, pipers and water pipes (also known as hookahs).

B. Smoke Free Areas

1. Smoking is prohibited in or at:
 - Within 50 feet of any area where flammable materials are handled or stored, or where other significant fire hazard may exist
 - All enclosed buildings and facilities including apartments, offices, food service, venues, lavatories, residence halls, rental and administrative offices, community centers and laundry facilities
 - Within 50 feet of building entrances and exits (when reasonable) and fresh air intake grills unless it is a specially designated smoking area
 - Partially or fully enclosed walkways, corridors, elevators
 - Vehicles owned, leased or rented by MHA
2. No smoking signs, or the international no-smoking symbol, will be posted at main entrances of all buildings.

C. Smoking Permitted Areas

1. Smoking is permitted outdoors on MHA Property except during organized events which have been designated as "No Smoking". Individuals choosing to smoke outdoors must be 50 feet from doorways, open windows, enclosed walkways, and ventilation systems to prevent smoke from entering enclosed buildings and facilities, and to prevent public access from being denied to an individual with a respiratory medical condition.

D. Education and Services for Smokers

1. In light of numerous adverse health effects associated with active smoking and with exposure to second hand smoke, MHA will provide educational services to residents, employees, and volunteers

about the hazards of smoking and information and services on quitting smoking. In addition to consulting with their own health care providers, residents, employees and volunteers may get assistance from the following MHA Programs.

- Residents and volunteers may contact the building Service Coordinator for information and programs on quitting smoking.
- Employees should contact their health provider for assistance in smoking cessation and may also obtain information on programs from the same through the Services Coordinator.

E. Cooperation and Compliance

- A. This policy relies on the mutual courtesy and cooperation of smokers and nonsmokers for success. It is the responsibility of all members of the MHA Community to observe the provisions of this policy on smoking. Complaints, concerns, or disputes regarding its implementation should be referred to the immediate supervisor for resolution. If a resolution cannot be reached, the matter will be referred by the supervisor to the appropriate Department head, Director of Public Housing for mediation. Should a resolution not be reached, it will then be referred to the Executive Director of the MHA for resolution. Managers, Maintenance Foremen, and Directors are responsible for seeing that persons in their areas are informed and comply with this smoking policy. Those having difficulty complying with these restrictions are encouraged to seek assistance from the resources listed in Section D. Residents, employees and volunteers violating this policy are subject to disciplinary action. Any person who commits an unlawful act under the provisions of the Arkansas "Clean Indoor Air Act" shall be fined in an amount not less than ten dollars or more than twenty-five dollars for each violation.

F. Disposal of Tobacco Waste

- A. Anyone who chooses to smoke or use smokeless tobacco on MHA premises must discard the waste in an appropriate manner.

XIII. Pet Policy

PET OWNERSHIP POLICY

A. Pet Rules

The following rules shall apply for the keeping of pets by Residents living in the units operated by the Housing Authority. These rules do not apply to service or companion animals verified to be needed by a person with a documented disability who have a disability-related reason for needing an animal.

1. Common household pets as authorized by this policy means a domesticated animals, such as a cat, dog, fish, birds, rodents (including rabbits) and turtles, that are traditionally kept in the home for pleasure rather than for commercial purposes.
2. Each resident family will be allowed to house only one (1) warm blooded animal at any time, one 10 gallon fish tank or one cage with up to 2 birds. Visiting guests with pets will not be allowed. Additional pets found in the premises will be removed at the owners expense.
3. Each resident must register his/her pet with the Authority BEFORE it is brought onto the Authority premises, and must update the registration annually at the annual re-examination of income. The registration will include: (Appendix 1)
 - Information sufficient to identify the pet and to demonstrate that it is a common household pet, including a picture;
 - A certificate signed by a licensed veterinarian or a State or Local Authority empowered to inoculate animals, stating that the pet has received all inoculations required by applicable State and Local Law;
 - A signed agreement must be executed by an alternate caretaker (listing the name, address, and telephone number) who will care for the pet if the pet owner dies, is incapacitated, or is otherwise unable to care for the pet.
 - A statement indicating that the pet owner has read the pet rules and agrees to comply with them; (Appendix 2)
 - The Authority may refuse to register a pet if:
 - 1) The pet is not a common household pet;
 - 2) The keeping of the pet would violate any applicable house pet rule;
 - 3) The pet owner fails to provide complete pet registration information;
 - 4) The pet owner fails to update the pet registration annually;
 - 5) The Authority reasonably determines, based on the pet owners' habits and practices and the pet's temperament, that the pet owner will be unable to keep the pet in compliance with the pet rules and other legal obligations;
 - Financial ability to care for the pet will not be a reason for the Authority to refuse to register a pet.
 - The Authority will notify the pet owner if the Authority refuses to register a pet. The notice will:
 - 1) State the reasons for refusing to register the pet;
 - 2) Be served on the pet owner in accordance with procedure outlined in paragraph B1 of this policy; and
 - 3) Be combined with a notice of a pet rule violation if appropriate.
4. Cats and dogs shall be limited to small breeds where total adult weight shall not exceed twenty five (25) pounds and total height at the shoulder shall not exceed eighteen (18) inches. The size limitations do not apply to service animals.
5. No chows, pit bulls, Dobermans, rottweilers, or any other known fighter breed will be allowed on the premises.

6. All cat and dog pets shall be verified by veterinarian to be neutered or spayed, cost to be paid by the owner. Pet owners will be required to present a certificate of health from their veterinarian verifying all required annual vaccines, initially and at re-examination.
7. In general occupancy developments, a non-refundable non-transferable pet fee of \$100 per bedroom in the pet owner's unit shall be made to the Housing Authority. Such fee will be a one-time fee (per pet) and shall be used to help cover cost of damages to the unit caused by the pet.
8. Pets shall be quartered in the Resident's unit.
9. Dogs and cats shall be kept on a leash and controlled by a responsible individual when taken outside.
10. No dog houses will be allowed on the premises.
11. Visiting guests with pets (other than service animals to assist visitors with disabilities) will not be allowed.
12. Pets (dogs and cats) must be kept in the resident's apartment and not allowed to be in public areas without being on a leash. Pets must be kept in owner's arms when on the elevator, in the hallway or lobby area or high-rise buildings. The owner must prominently display rabies and license tags on the pet.
13. Owners shall clean up after pet after each time the animal eliminates.
14. Pets can be exercised in approved areas designated by the MHA.
15. Persons who own pets are recommended to purchase a personal liability policy; the resident may include this coverage in the Renters Insurance Policy. The tenant acknowledges by signing the lease agreement they are solely responsible for all personal and property damages caused by their pet. The coverage should be sufficient to protect the owner of damage caused by the pet to persons or property.
16. A non-transferable security deposit of \$150.00 is required to be held without interest, until such time as the owner moves out or until the pet is no longer with the resident. This deposit shall be applied against any and all damages caused by the pet or the owner's failure to clean up after the pet. This deposit will not be used to defray the cost of unrelated repairs.
17. Any pet determined to be dangerous or vicious as defined in the City of Little Rock Animal Service Code are prohibited from MHA property at all times.
18. Should the MHA have to exterminate a unit for fleas, ticks or other animal related pests, the cost of extermination shall be charged to the resident.
19. Prior to initial occupancy and annually thereafter, the pet owner must certify that the pet is housebroken or paper trained, and shall be responsible for cleaning up and proper disposal of pet waste daily inside the apartment and outside the building/unit. Pet waste will be put in a plastic bag and deposited in the dumpster. There will be a \$25.00 charge if this is not done.
20. No pet shall be allowed to make barking, whining, scratching or exhibit a threatening behavior that might disturb other residents or Housing Authority staff. The resident owning the pet will be asked to vacate or remove the pet from the premises if these conditions cannot be controlled.
21. Any applicable City and State Ordinances concerning pets will be complied with.
22. Pets shall be removed from the premises when their conduct or condition is duly determined to constitute a nuisance or a threat to the health and safety of the pet owner, other occupants of the Authority, or the pet, in accordance with paragraph B3 below.
23. Birds must be kept in regular bird cages and not allowed to fly throughout the unit.
24. Dishes or containers for food and water will be located within the owner's apartment. Food and/or table scraps, will not be deposited on the owner's porches or yards.
25. Residents will not feed or water stray animals or wild animals.
26. Pets will not be allowed on specified common areas (under clotheslines, social rooms, office, maintenance space, etc.).
27. Each resident family will be responsible for the noise or odor caused by their pet. Obnoxious odors can cause health problems and will not be tolerated.

1. NOTICE OF PET RULE VIOLATION (Appendix 3): When the Authority determines on the basis of objective facts supported by written statements, that a pet owner has violated one or more of these rules governing the owning or keeping of pets, the Authority will:

- Serve a notice of the pet rule violation on the owner by sending a letter by first class mail, properly stamped and addressed to the Resident at the leased dwelling unit, with a proper return address, or
- serve a copy of the notice on any adult answering the door at the Residents' leased dwelling unit, or if no adult responds, by placing the notice under or through the door, if possible, or else by attaching the notice to the door;

2. The notice of pet rule violation must contain a brief statement of the factual basis for the determination and the pet rule or rules alleged to be violated;

3. The notice must state that the pet owner has ten (5) days from the effective date of service of notice to correct the violation (including, in appropriate circumstances, removal of the pet) or to make a written request for a meeting to discuss the violation. The effective date of service is the day that the notice is delivered or mailed, or in the case of service by posting, on the day that the notice was initially posted;

4. The notice must state that the pet owner is entitled to be accompanied by another person of his or her choice at the meeting;

5. The notice must state that the pet owners' failure to correct the violation, to request a meeting, or to appear at a requested meeting may result in initiation of procedures to terminate the pet owners' lease.

6. PET RULE VIOLATION MEETING: If the pet owner makes a timely request for a meeting to discuss an alleged pet rule violation, the Authority shall establish a mutually agreeable time and place for the meeting to be held within fifteen (15) days from the effective date of service of the notice of pet rule violation (unless the Authority agrees to a later date).

- The Authority and the pet owner shall discuss any alleged pet rule violation and attempt to correct it and reach an understanding.
- The Authority may, as a result of the meeting, give the pet owner additional time to correct the violation.
- Whatever decision or agreements, if any, are made will be reduced to writing, signed by both parties, with one copy for the pet owner and one copy placed in the Authority's Resident file.

7. NOTICE OF PET REMOVAL: If the pet owner and the Authority are unable to resolve the pet rule violation at the pet rule violation meeting, or if the Authority determines that the pet owner has failed to correct the pet rule violation within any additional time provided for this purpose under paragraph B.3 above (or at the meeting, if appropriate), requiring the pet owner to remove the pet. This notice must:

- Contain a brief statement of the factual basis for the determination and the pet rule or rules that have been violated;
- State that the pet owner must remove the pet within ten (10) days of the effective date of service of notice or pet removal (or the meeting, if the notice is served at the meeting);
- State the failure to remove the pet may result in initiation of procedures to terminate the pet owner's residency.

8. INITIATION OF PROCEDURE TO TERMINATE PET OWNERS RESIDENCY: The Authority will not initiate procedure to terminate a pet owners' residency based on a pet rule violation unless:

- The pet owner has failed to remove the pet or correct the pet rule violation within the applicable time period specified above;
- The pet rule violation is sufficient to begin procedures to terminate the pet owner's residency under the terms of the lease and application regulations,
- Provisions of Resident's Lease, Section XIV: Termination of Lease will apply in all cases.

If the health or safety of a pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet, the Authority may:

- Contact the responsible party or parties listed in the registration form and ask that they assume responsibility for the pet;
- If the responsible party or parties are unwilling or unable to care for the pet, the Authority may contact the appropriate State or Local Animal Control Authority, Humane Society or designated agent of such Authority and request the removal of the pet at the owner's expense;
- If the Authority is unable to contact the responsible parties despite reasonable efforts, action as outlined in C.1.b above will be followed; and
- If none of the above actions produce results, the Authority may enter the pet owner's unit, remove the pet, and place the pet in a facility that will provide care and shelter until the pet owner or a representative of the pet owner is able to assume responsibility for the pet, but no longer than thirty (30) days. The cost of the animal care facility provided under this section shall be charged to the pet owner.

Nothing in this policy prohibits the Authority or the Appropriate City Authority from requiring the removal of any pet from the Authority property. If the pet's conduct or condition is duly determined to constitute, under the provisions of State or Local Law, a nuisance or a threat to the health or safety of other occupants of the Authority property or of other persons in the community where the project is located.

E. APPLICATION OF RULES

1 Pet owners will be responsible and liable for any and all bodily harm to other residents or individuals. Destruction of personal property belonging to others caused by owner's pet will be the financial obligation of the pet owner.

2 All pet rules apply to resident and/or resident's guests.

III. PET AGREEMENT

1. Management considers the keeping of pets a serious responsibility and a risk to each resident in the apartment. If you do not properly control and care for a pet, you will be held liable if it causes any damages or disturbs other residents.

2. Conditional Authorization for Pet. You may keep the pet that is described below in the apartment until Dwelling Lease is terminated. Management may terminate this authorization sooner if your right of occupancy is lawfully terminated or if you or your pet, your guests or any member of your household violate any of the rules contained in the Authority's pet Policy or this Agreement.

3. Pet Fee. The Pet Fee will be \$100 times the number of bedrooms in your unit for your current pet. The Pet Fee is a one-time, non-refundable charge.

- If, at any time in the future, this pet is replaced by another animal, another one-time fee will be charged for that animal.
- This fee will be used to pay reasonable expenses directly attributable to the presence of the pet in the complex, including but not limited to, the cost of repairs to and fumigation of the apartment.

4. Liability Not Limited. The fee under this Pet Agreement does not limit resident's liability for property damages, cleaning, deodorization, defleaing, replacements, or personal injuries.

5. Description of Pet. You may keep only one pet as described below. The pet may not exceed eighteen (18) inches in height at the shoulder and twenty five (25) pounds in adult weight. You may not substitute other pets for this one without amending this agreement.

XIV. Violence Against Women Act (VAWA)

[Metropolitan](#) Housing Alliance, Notice of Occupancy Rights Under the Violence Against Women Act 17. To All Tenants and Prospective Tenants, The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking, regardless of sex, gender identity, sexual orientation, or age. The U.S. Department of Housing and Urban Development (HUD) is the Federal agency that oversees that the Public Housing Program for MHA Program is in compliance with VAWA. This notice explains your rights under VAWA. Attached to this notice is a copy of HUD's VAWA regulations. Also attached is a HUD-approved certification form for documenting an incident of domestic violence, dating violence, sexual assault, or stalking for a tenant who seeks the protections of VAWA as provided in this notice of occupancy rights and in HUD's regulations.

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This rule amended HUD's regulations to fully implement the requirements of the Violence Against Women Act (VAWA) as reauthorized in 2013 under the Violence Against Women Reauthorization Act of 2013 (VAWA 2013). VAWA 2013 provides enhanced statutory protections for victims of domestic violence, dating violence, sexual assault, and stalking. VAWA 2013 also expands VAWA protections to HUD programs beyond HUD's public housing and Section 8 programs, which were covered by the reauthorization of VAWA in 2005 (VAWA 2005). In addition to proposing regulatory amendments to fully implement VAWA 2013,

MHA shall attach to its lease to be signed by the tenant and MHA the Lease Addendum VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF [2013](#).

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XV. COMMUNITY SERVICE AND SELF SUFFICIENCY POLICY

A. Background

1. As all staff of MHA know, the Community Service requirement is only applicable to residents of public housing properties or residents living in ACC subsidized units at mixed finance properties. No one living in a multifamily property or a project based voucher property or using a tenant based voucher in a market rate unit at a mixed finance property is subject to the Community Service requirement.
2. MHA is working to enable its residents to become fully economically independent. In support of this goal and HUD requirements, MHA requires that all non-exempt members of resident families meet monthly targets for neighborhood service or economic [self-sufficiency](#), as monitored monthly. Deleted:
3. The Community Service requirement is 8 hours per month for each non-exempt adult (not for each family with a non-exempt adult).
4. Compliance with Community Service activities is monitored by monthly contact between the non-exempt resident and the Manager.

B. Definitions

Community Service – volunteer work which includes, but is not limited to:

1. Work at a local institution including but not limited to: school, child care center, hospital, hospice, recreation center, senior center, adult day care center, homeless shelter, indigent feeding program, cooperative food bank, etc.;
2. Work with a non-profit organization that serves PHA residents or their children such as: Boy Scouts, Girl Scouts, Boys or girls Clubs, 4-H program, PAL, Garden Center, community clean-up programs, beautification programs, other youth or senior organizations;
3. Work at the Authority to help improve physical conditions;
4. Work [at](#) the Authority to help with children's programs; Deleted:
5. Work at the Authority to help with senior programs;
6. Helping neighborhood groups with special projects;
7. Working through resident organization to help other residents with problems, serving as an officer in a Resident organization, serving on the Resident Advisory Board; and
8. Caring for the children of other resident so they may volunteer.

NOTE: Political activity is excluded.

C. Self-Sufficiency

Eligible self-sufficiency activities include, but are not limited to:

1. Job readiness or job training while not employed;
2. Training programs through local One-Stop Career Centers, Workforce Investment Boards (local entities administered through the U.S. Department of Labor), or other training providers;
3. Higher education (junior college or college);
4. Vocational education;
5. GED classes;
6. Verifiable job search activities;
7. Apprenticeships (formal or informal);
8. Substance abuse or mental health counseling;
9. Reading, financial and/or computer literacy classes;
10. English as a second language and/or English proficiency classes;
11. Parenting classes;
12. Budgeting and credit counseling;
13. Any kind of class that helps a person toward economic independence;
14. Carrying out any activity required by the Department of Public Assistance as part of welfare reform; Deleted:
15. The self-sufficiency hours counted toward the 8 hour per month requirement will be only hours when a non-exempt adult is actually attending class or engaged in job training. It will not include time in transit. Deleted:

D. Exempt Residents

PHAs are required to set out in their Admissions and Continuing Occupancy Policy (ACOP) how the PHA determines if an individual is exempt from the CSSR and the documentation needed to support the exemption. Exemptions for adult residents, as codified at 24 CFR 960.601, include persons who are:

1. 62 years or older;

2. Blind or disabled, as defined under 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. Section 416(i)(1); Section 1382c), and who certify that, because of this disability, she or he is unable to comply with the service provisions of this subpart, or is a primary caretaker of such individual;
3. Engaged in work activities (see Notice PIH 2003-17 (HA)). In order for an individual to be exempt from the CSSR requirement because he/she is "engaged in work activities," the person must be participating in an activity that meets one of the following definitions of "work activity" contained in Section 407(d) of the Social Security Act (42 U.S.C. Section 607(d)):
 - a. Unsubsidized employment;
 - b. Subsidized private-sector employment;
 - c. Subsidized public-sector employment;
 - d. Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
 - e. On-the-job-training;
 - f. Job-search;
 - g. Community service programs;
 - h. Vocational educational training (not to exceed 12 months with respect to any individual);
 - i. Job-skills training directly related to employment;
 - j. Education directly related to employment in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;
 - k. Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalency, in the case of a recipient who has not completed secondary school or received such a certificate;
4. Able to meet requirements under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. Section 601 et seq.) or under any other welfare program of the State in which PHA is located including a State-administered Welfare-to-Work program; or,
5. A member of a family receiving assistance, benefits, or services under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. Section 601 et seq.), or under any other welfare program of the State¹ in which the PHA is located, including a State-administered Welfare-to-Work program, and has not been found by the State or other administering entity to be in noncompliance with such a program.

E. Requirements of the Program

1. The eight (8) Hours per month may be either volunteer work or [self-sufficiency](#) program activity, or a combination of the two. Deleted:
2. At least eight (8) hours of activity must be performed each month. An individual may not skip a month and then double up the following month, unless special circumstances warrant special consideration. The Authority will make the determination of whether to allow or disallow a deviation from the schedule.
3. Activities must be performed within the community and not outside the jurisdictional area of the Authority. Deleted:

4. Family obligations

- At lease execution or re-examination after February 1, 2000, all adult members (18 or older) of a public housing resident family must
 1. provide documentation that they are exempt from community Service requirement if they qualify for an exemption, and
 2. Sign a certification that they have received and read this policy and understand that if they are not exempt, failure to comply with the Community service requirement will result in nonrenewal of their lease.
- At each annual re-examination, non-exempt family members must present a completed documentation form (to be provided by the Authority) of activities performed over the previous twelve (12) months. This form will include places [for](#) signature of supervisors, instructors, or counselors certifying to the number of hours contributed.
- If a family member is found to be noncompliant at re-examination, he/she and the Head of Household will sign an agreement with the Authority to make up the deficient hours over the next twelve (12) month period.

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5. Change in exempt status:

- If, during the twelve (12) month period, a non-exempt person becomes exempt, it is his/her responsibility to report this to the Authority and provide documentation of such.
- If, during the twelve (12) month period, an exempt person becomes non-exempt, it is his/her responsibility to report this to the Authority. The Authority will provide the person with the Recording/Certification documentation form and a list of agencies in the community that provide volunteer and /or training opportunities.

F. Authority Obligations

1. To the greatest extent possible and practicable, the Authority will:

- Provide names and contacts at agencies that can provide opportunities for residents, including disable, to fulfill their Community Service obligations. (*According to the Quality Housing and Work Responsibility Act, a disabled person who is otherwise able to be gainfully employed is not necessarily exempt from the Community Service requirement*); and
- Provide in-house opportunities [for](#) volunteer work or [self-sufficiency](#) programs.

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2. The Authority will provide the family with exemption verification forms and Recording/Certification documentation forms and a copy of this policy at initial application and at lease execution.
3. The Authority will make the final determination as to whether or not a family member is exempt from the Community Service requirement. Residents may use the Authority's Grievance Procedure if they disagree with the Authority's determination.
4. Noncompliance of family member:
 - At least thirty (30) days prior to annual re-examination and/or lease expiration, the Authority will begin reviewing the exempt or non-exempt status and compliance of family members;
 - If the Authority finds a family member to be noncompliant, the Authority will enter into an agreement with the noncompliant member and the head of household to make up the deficient hours over the next twelve (12) month period;
 - If, at the next annual re-examination, the family member still is not compliant, the lease will not be renewed and the entire family will have to vacate, unless the noncompliant member agrees to move out of the unit;
 - The family may use the Authority's Grievance Procedure to protest the lease termination.

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XVI. Hardship Exemption Policy

MHA will allow families to request an exemption to the Minimum Rent/Flat rent requirements. There are certain instances in which MHA is required to suspend the minimum rent (24 CFR § 5.630).

These instances include the following:

- When the family has lost eligibility for or is awaiting an eligibility determination for a government assistance program;
 - When the family would be evicted because it is unable to pay the minimum rent;
 - When the income of the family has decreased because of changed circumstances including loss of employment; and
 - When a death has occurred in the family.
1. It is necessary that MHA advise any family who pays the minimum rent of the right to request the exemption. If a family paying minimum rent requests a hardship exemption, MHA must suspend the minimum rent, effective the following month. MHA may not evict the family for non-payment of the minimum rent for 90 days following the request for the hardship exemption.
 2. The suspension of minimum rent continues until the MHA determines whether or not the hardship is temporary or long term.
 3. If the hardship is verified to be temporary (less than 90 days), MHA must reinstate the minimum rent and offer the family a reasonable repayment agreement of the minimum rent that was suspended.
 4. If the hardship is verified to be long-term (lasting more than 90 days), the minimum rent must be suspended until the hardship ceases. The family may not be evicted for failing to pay the minimum rent while the hardship is occurring.
 5. If MHA denies a resident the minimum rent hardship exemption, the resident is entitled to file a grievance and MHA may not require the resident to make an escrow deposit to obtain the grievance hearing.

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XVII. Definitions of Terms Used in This Statement of Policies

1. Accessible dwelling units -- when used with respect to the design, construction or alteration of an individual dwelling unit, means that the unit is located on an accessible route and when designed, constructed, altered, or adapted can be approached, entered, and used by individuals with physical handicaps. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR § 8.32 [the Uniform Federal Accessibility Standards] is "accessible" within the meaning of this paragraph.

When an individual dwelling unit in an existing facility is being modified for use by a specific individual, the unit will not be deemed accessible, even though it meets the standards that address the impairment of that individual, unless it also meets the UFAS standards.

2. Accessible Facility - means all or any portion of a facility other than an individual dwelling unit used by individuals with physical handicaps. [24 CFR § 8.21]

3. Accessible Route - For persons with a mobility impairment, a continuous unobstructed path that complies with space and reach requirements of the Uniform Federal Accessibility Standards. For persons with hearing or vision impairments, the route need not comply with requirements specific to mobility. [24 CFR § 8.3 & § 40.3.5]

4. Adaptability - Ability to change certain elements in a dwelling unit to accommodate the needs of handicapped and non-handicapped persons; or ability to meet the needs of persons with different types & degrees of disability. [24 CFR § 8.3 & § 40.3]

5. Alteration - any change in a facility or its permanent fixtures or equipment. It does not include: normal maintenance or repairs, reroofing, interior decoration or changes to mechanical systems. [24 CFR § 8.3 & § 8.23 (b)]

6. Applicant - a person or a family that has applied for admission to housing.

7. Area of Operation - The jurisdiction of the MHA as described in applicable State law and the MHA's Articles of Incorporation.

9. Assets - Assets means "cash (including checking accounts), stocks, bonds, savings, equity in real property, or the cash value of life insurance policies. Assets do not include the value of personal property such as furniture, automobiles and household effects or the value of business assets." IMPORTANT: See the definition of Net Family Assets, for assets used to compute annual income. (See 24 CFR § 5.603 for definition of Net Family Assets)

10. Auxiliary Aids - means services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in and enjoy the benefits of programs or activities. (24 CFR § 8.3)

10. Care attendant - a person that regularly visits the unit of a MHA resident to provide supportive or medical services. Care attendants are not live-in aides, since they have their own place of residence (and if requested by MHA must demonstrate separate residence) and do not live in the public housing unit. Care attendants have no rights of tenancy.

11. Co-head of household - a household where two persons are held responsible and accountable for the family.

12. Dependent - A member of the household, other than head, spouse, sole member, foster child, or Live-in Aide, who is under 18 years of age, or 18 years of age or older and disabled, handicapped, or a full-time student. [24 CFR § 5.603]

13. Designated Family - means the category of family for whom MHA elects (subject to HUD approval) to designate a project (e.g. elderly family in a project designated for elderly families) in accordance with the 1992 Housing Act. (PL 96-120)

14. Designated housing (or designated project) - a project(s), or portion of a project(s) designated for elderly only or for disabled families only in accordance with PL 96-106.

15. Disabled Family - A family whose head, spouse or sole member is a person with disabilities. (Person with disabilities is defined later in this section.) The term includes two or more persons with disabilities living together, and one or more such persons living with one or more persons including live-in aides determined to be essential to the care and wellbeing of the person or persons with disabilities. A disabled family may include persons with disabilities who are elderly. (24 CFR § 5.403)

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16. Displaced Person - A single person displaced by government action or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise recognized pursuant to Federal disaster relief laws. This definition is used for eligibility determinations only. It should not be confused with the Federal preference for involuntary displacement. [(42 USC 1437a(b)(3)]

17. Displacement Preference - An admissions preference awarded to applicants can verify that they are or will be displaced by a natural disaster declared by the President of the United States, or by governmental action (e.g. an eminent domain condemnation, code enforcement action, etc.).

18. Divestiture Income - Imputed income from assets, including business assets, disposed of by applicant or resident in the last two years at less than fair market value. (See the definition of Net Family Assets (24 CFR § 5.603) in this section.)

19. Elderly Family - A family whose head or spouse (or sole member) is at least 62 years of age. It may include two or more elderly persons living together, and one or more such persons living with one or more persons, including live-in aides, determined to be essential to the care and well-being of the elderly person or persons. An elderly family may include elderly persons with disabilities and other family members who are not elderly. (24 CFR § 5.403)

20. Elderly Person - A person who is at least 62 years of age. [42 USC 1437a(b)(3)]

21. Extremely Low Income Family - A Family whose Annual Income is equal to or less than 30% of Area Median Income, as published by HUD.

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22. Family - The applicant must qualify as a family. (24 CFR §5.403) A "family" may be:

- A single person or a group of persons.
- A single person family may be:
 - An elderly person
 - A displaced person
 - A person with a disability
 - Any other single person
- A family with or without a child or children.
- A group of persons consisting of two or more elderly persons or disabled persons living together.
- One or more elderly or disabled persons living with one or more live-in aides.
- Two or more persons who intend to share residency whose income and resources are available to meet the family's needs.

The MHA determines if any other group of persons qualifies as a "family". A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only

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pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

A child or children is a member of the family by natural birth, adoption, or legal guardianship.

Live-in Aides (Definition #27) may also be considered part of the applicant family's household. However, live-in aides are not family members and have no rights of tenancy or continued occupancy.

Foster Care Arrangements include situations in which the family is caring for a foster adult, child or children in their home who have been placed there by a public child placement agency, or a foster adult or adults placed in the home by a public adult placement agency.

For purposes of continued occupancy: the term family also includes the remaining member of a resident family with the capacity to execute a lease.

23. 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. Educational institution shall include but not be limited to: college, university, secondary school, vocational school or trade school (24 CFR 5.603).

24. Head of the Household - Head of the household means the family member (identified by the family) who is held responsible and accountable for the family.

25. Individual with Handicaps, Section 504 definition [24 CFR § 8.3] -

Section 504 definitions of Individual with Handicaps and Qualified Individual with handicaps are not the definitions used to determine program eligibility. Instead, use the definition of person with disabilities as defined later in this section. Note: the Section 504, Fair Housing, and Americans with Disabilities Act (ADA) definitions are similar. ADA uses the term "individual with a disability". Individual with handicaps means any person who has:

- (a) A physical or mental impairment that:
 - Substantially limits one or more major life activities;
 - Has a record of such an impairment;
 - Or is regarded as having such impairment.
- (b) For purposes of housing programs, the term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.
- (c) Definitional elements:

"Physical or mental impairment" means any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: Neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genitourinary; hemic and lymphatic; skin; and endocrine; or

Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term "physical or mental impairment" includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular

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dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

"Major life activities" means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

"Has a record of such an impairment" means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

"Is regarded as having an impairment" means has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation; or

Has a physical or mental impairment that substantially limits one or more major life activities only as result of the attitudes of others toward such impairment; or

Has none of the impairments defined in this section but is treated by a recipient as having such an impairment.

NOTE: A person would be covered under the first item if MHA refused to serve the person because of a perceived impairment and thus "treats" the person in accordance with this perception. The last two items cover persons who are denied the services or benefits of MHA's housing program because of myths, fears, and stereotypes associated with the disability or perceived disability.

- (d) The 504 definition of handicap does not include homosexuality, bisexuality, or transvestitism. Note: These characteristics do not disqualify an otherwise disabled applicant/resident from being covered.

The 504 definition of individual with handicaps is a civil rights definition. To be considered for admission to public housing a person must meet the program definition of person with disabilities found in this section.

26. Live-in Aide - A person who resides with an elderly person(s), near elderly person(s) or person(s) with disabilities and who: (a) is determined by MHA to be essential to the care and wellbeing of the person(s); (b) is not obligated to support the family member; and (c) would not be living in the unit except to provide the necessary supportive services (24 CFR 5.403).

MHA policy on Live-in Aides stipulates that:

- (a) Before a Live-in Aide may be moved into a unit, a third-party verification must be supplied that establishes the need for such care and the fact that the live-in aide is qualified to provide such care;
- (b) Move-in of a Live-in Aide must not result in overcrowding of the existing unit according to the maximum-number-of-persons-per-unit standard (although, a reasonable accommodation for a resident with a disability may be to move the family to a larger unit);
- (c) Live-in Aides have no right to the unit as a remaining member of a resident family;
- (d) Relatives who satisfy the definitions and stipulations above may qualify as Live-in Aides, but only if they sign a statement prior to moving in relinquishing all rights to the unit as the remaining member of a resident family.
- (e) A Live-in aide is a single person.
- (f) A Live-in Aide will be required to meet MHA's screening requirements with respect to past behavior especially:

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A record of disturbance of neighbors, destruction of property, or living or housekeeping habits at present or prior residences that may adversely affect the health, safety, or welfare of other tenants or neighbors;

Criminal activity such as crimes of physical violence to persons or property and other criminal acts including drug-related criminal activity that would adversely affect the health, safety, or welfare of other residents or staff or cause damage to the unit or the development; and

A record of eviction from housing or termination from residential programs.

27. Low-Income Household - A family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller and larger families (42 USC 1437a(b)).

28. Medical Expense Allowance - For purposes of calculating adjusted income for elderly or disabled families only, medical expenses mean the medical expense in excess of 3% of Annual Income, where these expenses are not compensated for or covered by insurance. (24 CFR § 5.603).

29. Minor - A minor is a person less than 18 years of age. An unborn child will not be considered as a minor. (See definition of dependent.) Some minors are permitted to execute contracts, provided a court declares them "emancipated".

30. Mixed Population Project - means a public housing project for elderly and disabled families. The MHA is not required to designate this type of project under the Extension Act. (PIH Notice 97-12)

31. Multifamily housing project - For purposes of Section 504, means a project containing five or more dwelling units. (24 CFR § 8.3)

32. Near-elderly family - means a family whose head, spouse, or sole member is a near-elderly person (at least 50 but less than 62 years of age), who may be a person with a disability. The term includes two or more near-elderly persons living together, and one or more such persons living with one or more persons who are determined to be essential to the care or wellbeing of the near-elderly person or persons. A near-elderly family may include other family members who are not near elderly. (24 CFR § 5.403)

33. Near-elderly person - means a person who is at least 50 years of age but below 62, who may be a person with a disability (42 USC 1437a(b)(3))

34. Net Family Assets - The net cash value, after deducting reasonable costs that would be incurred in disposing of: [24 CFR § 5.603]

- (a) Real property (land, houses, mobile homes)
- (b) Savings (CDs, IRA or KEOGH accounts, checking and savings accounts, precious metals)
- (c) Cash value of whole life insurance policies
- (d) Stocks and bonds (mutual funds, corporate bonds, savings bonds)
- (e) Other forms of capital investments (business equipment)

Net cash value is determined by subtracting the reasonable costs likely to be incurred in selling or disposing of an asset from the market value of the asset. Examples of such costs are: brokerage or legal fees, settlement costs for real property, or penalties for withdrawing saving funds before maturity.

Net Family assets also include the amount in excess of any consideration received for assets disposed of by an applicant or resident for less than fair market value during the two years preceding the date of the initial certification or reexamination. This does not apply to assets transferred as the result of a foreclosure or bankruptcy sale.

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In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be less than fair market value if the applicant or resident receives important considerations not measurable in dollar terms.

35. Person with disabilities¹² (42 USC 1437a(b)(3)) means a person¹³ who —

- (a) Has a disability as defined in Section 223 of the Social Security Act (42 USC 423); or,
- (b) Has a physical or mental impairment that:
 - Is expected to be of long continued and indefinite duration;
 - Substantially impedes his/her ability to live independently; and,
 - Is of such nature that such disability could be improved by more suitable housing conditions; or,
- (c) Has a developmental disability as defined in Section 102 (5) (b) of the Developmental Disabilities Assistance and Bill of Rights Act [42 USC 6001 (5)].

36. Portion of project - includes, one or more buildings in a multi-building project; one or more floors of a project or projects; a certain number of dwelling units in a project or projects. (24 CFR § 945.105)

37. Project, Section 504 - means the whole of one or more residential structures & appurtenant structures, equipment, roads, walks, & parking lots that are covered by a single contract for Federal financial assistance or application for assistance, or are treated as a whole for processing purposes, whether or not located on a common site. [24 CFR § 8.3]

38. Qualified Individual with handicaps, Section 504 - means an individual with handicaps who meets the essential eligibility requirements and who can achieve the purpose of the program or activity without modifications in the program or activity that the MHA can demonstrate would result in a fundamental alteration in its nature.

- (a) Essential eligibility requirements include: ...stated eligibility requirements such as income as well as other explicit or implicit requirements inherent in the nature of the program or activity, such as requirements that an occupant of multifamily housing be capable of meeting the recipient's selection criteria and be capable of complying with all obligations of occupancy with or without supportive services provided by persons other than the MHA.
- (b) For example, a chronically mentally ill person whose particular condition poses a significant risk of substantial interference with the safety or enjoyment of others or with his or her own health or safety in the absence of necessary supportive services may be "qualified" for occupancy in a project where such supportive services are provided by the MHA as a part of the assisted program. The person may not be 'qualified' for a project lacking such services. (24 CFR § 8.3)

39. Scattered Sites- Those sites owned and managed by MHA, other than Parris Towers, Powell Towers, Cumberland Towers, and Sunset Terrace, are collectively known as "Scattered Sites."

40 Single Person - A person who is not an elderly person, a person with disabilities, a displaced person, or the remaining member of a resident family.

¹² NOTE: this is the program definition for public housing. The 504 definition does not supersede this definition for eligibility or admission. [24 CFR 8.4 (c) (2)]

¹³ A person with disabilities may be a child.

41. Spouse - Spouse means the husband or wife of the head of the household.

42. Tenant Rent - The amount payable monthly by the Family as rent to MHA. Where all utilities (except telephone) and other essential housing services are supplied by the Authority, Tenant Rent equals Total Tenant Payment. Where some or all utilities (except telephone) and other essential housing services are not supplied by the MHA and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less the Utility Allowance (24 CFR § 5.603).

43. Total Tenant Payment (TTP) - The TTP is calculated using the following formula:

The greatest of 30% of the monthly Adjusted Income (as defined in these policies) or 10% of the monthly Annual Income (as defined in these policies), or the Welfare Rent if applicable, but never less than the Minimum Rent or greater than the Ceiling Rent, if any. If the Resident pays any of the utilities directly to the utility supplier, the amount of the Utility Allowance is deducted from the TTP. (24 CFR §5.613) See the definition for Tenant Rent.

44. Uniform Federal Accessibility Standards - Standards for the design, construction, and alteration of publicly owned residential structures to insure that physically handicapped persons will have ready access to and use of such structures. The standards are set forth in Appendix A to 24 CFR Part 40. See cross-reference to UFAS in 504 regulations, 24 CFR § 8.32 (a).

45. Utilities - Utilities means water, electricity, gas, other heating, refrigeration and cooking fuels, trash collection, and sewerage services. Telephone service is not included as a utility (24 CFR § 965.502).

46. Utility Reimbursement – Funds are reimbursed to the tenant, if the utility allowance exceeds the Total Tenant Payment. Families paying Flat rent do not receive Utility Allowances and, consequently, will never qualify for utility reimbursements.

47. Very Low-Income Family - Very low-income family means a family whose Annual Income does not exceed 50 percent of the median Annual Income for the area, with adjustments for smaller and larger families, as determined by the Secretary of Housing and Urban Development (42 USC 1437a(b)).

48. Work Activity- As used in this Section VII, the term “work activities” means—

- (a) unsubsidized employment;
 - (b) subsidized private sector employment;
 - (c) subsidized public sector employment;
 - (d) work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;
 - (d) on-the-job training;
 - (e) job search and job readiness assistance;
 - (f) community service programs;
 - (g) vocational educational training (not to exceed 12 months with respect to any individual);
 - (h) job skills training directly related to employment;
 - (i) education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;
 - (j) satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate; and
 - (k) the provision of child care services to an individual who is participating in a community service program.
- [24 CFR 5.603 & 42 USC 607(d)]

49. Working Family Preference: An admissions preference granted when:

(a) A family can verify employment of an adult member:

(i) Employment at the time of the offer — To receive this preference the applicant family must have at least one family member, age 18 or older, employed at the time of MHA's offer of housing. Employment at the time of the offer must be for the 90-day period immediately prior to the offer of housing and provide a minimum of 20 hours of work per week for the family member claiming the preference.

(ii) Employment periods may be interrupted, but to claim the preference, a family must have an employed family member prior to the actual offer of housing as described above.

(iii) A family member that leaves a job will be asked to document the reasons for the termination. Someone who quits work after receiving benefit of the preference (as opposed to layoff, or taking a new job) will be considered to have misrepresented the facts to MHA and will have their lease terminated.

(iv) The amount earned shall not be a factor in granting this local preference. This local preference shall also be available to a family if the head, spouse, or sole member is 62 or older, or is receiving social security disability, or SSI disability benefits, or any other payments based on the individual's inability to work. [Required, 24 CFR 960.206; 24 CFR 5.105(a)]

(b) A family can verify participation in a job-training program or graduation from such a program. This includes programs of job training, skills training or education accepted or mandated by the Temporary Assistance to Needy Families program;

The family must notify MHA if it enters such a program while on the waiting list and provide documentation of participation to MHA. MHA will not grant this preference if the family fails to provide notice. Notice and verification of the preference claim must be received prior to the offer of housing. To claim this preference applicants must be in good standing with respect to attendance and program rules.

Attachment “2”

**ADMINISTRATIVE PLAN
FOR THE
SECTION 8 VOUCHER PROGRAMS**



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Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

A. HOUSING AUTHORITY MISSION STATEMENT

The mission of MHA is the same as that of the Department of Housing and Urban Development: To promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination.

B. LOCAL GOALS

Program and agency goals are available for review in MHA's Agency Plan.

C. PURPOSE OF THE ADMINISTRATIVE PLAN [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the Agency Plan. The Housing Choice Voucher Program was implemented on 10/1/99, and all certificates and vouchers were to be converted no later than 10-01-02.

MHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. MHA will revise this Administrative Plan as needed to comply with changes in HUD regulations. The Plan and any changes must be approved by the Board of Commissioners of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

This Administrative Plan is a supporting document to MHA Agency Plan, and is available for public review as required by CFR 24 Part 903.

Applicable regulations include:

24 CFR Part 5: General Program Requirements

24 CFR Part 8: Nondiscrimination

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

D. RULES AND REGULATIONS [24 CFR 982.52]

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

Local rules that are made part of this Plan are intended to promote local housing objectives consistent with the intent of the federal housing legislation.

E. UNRESTRICTED NET ASSETS [24 CFR 982.54(d)(21); PIH 2011-27]

Expenditures beyond normal operating costs using the Unrestricted Net Assets (Administrative Fee Reserve; Operating Reserve) for allowable purposes will be made in accordance with approval of MHA Board of Commissioners and in accordance with the approved budget.

F. FAIR HOUSING POLICY [24 CFR 982.54(d)(6)]

It is the policy of MHA to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

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

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

All MHA staff will be required to attend fair housing training and informed of the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of the overall commitment to quality customer service. Fair Housing posters are

posted throughout MHA office/s, including in the lobby and interview rooms and the equal opportunity logo will be used on all outreach materials.

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

MHA's office(s) are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the local telephone service provider.

G. REASONABLE ACCOMMODATIONS POLICY [24 CFR 100.202]

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

A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of his/her disability before MHA will treat him/her differently than anyone else. The PHA's policies and practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this Administrative Plan including when a family initiates contact with MHA, when MHA initiates contact with a family including when a family applies, and when appointment of any kind are scheduled or rescheduled.

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

- A physical or mental impairment that substantially limits one or more of the major life activities of an individual;
- A record of such impairment; or
- Being regarded as having such an impairment.

Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with 5.403, individuals are not considered disabled for eligibility purposes solely on the basis of any drug or alcohol

dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

Once the person's status as a qualified person with a disability is confirmed, MHA will require that a professional third party competent to make the assessments provides written verification that the person needs the specific accommodation due to their disability and the change is required for them to have equal access to the housing program.

If MHA finds that the requested accommodation creates an undue administrative or financial burden, MHA will deny the request and/or present an alternate accommodation that will still meet the need of the person.

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

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

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

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

All MHA mailings will be made available in an accessible format upon request, as a reasonable accommodation.

Applying for Admission

~~All persons who wish to apply for any of MHA's programs must submit a pre-application in accordance with Chapter 3 of this plan. Applications will be made available in an accessible format upon request from a person with a disability.~~

~~To provide specific accommodation to persons with disabilities, upon request, the information may be mailed to the applicant and, if requested, it will be mailed in an accessible format.~~

H. PRIVACY RIGHTS [24 CFR 982.551 and 24 CFR 5.212]

Applicants and participants, including all adults in each household are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal Privacy Act Statement and describes the conditions under which HUD/PHA will release family information.

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

Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential" or returned to the family member after its use. The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the Executive Director's designee.

MHA's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location which is only accessible by authorized staff.

MHA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will be handled in accordance with MHA's personnel policies.

I. OUTREACH

MHA recognizes that in order to more effectively complete its mission, it must rely on the cooperation and collaboration with community service providers, employers, welfare agencies and others. MHA endeavors to create effective working relationships between its staff and other agencies and local employers by establishing personal contacts, participating in meetings or other means to disseminate information about MHA's programs and objectives, and promptly responding (as appropriate) to other agencies' verification of MHAs housing assistance programs.

Through its proactive outreach efforts and mutual understanding, MHA believes the quality and timeliness of requests for information/verifications from others will be improved, and that MHA program participants will be more fully informed of economic self-sufficiency programs and opportunities available throughout the community.

Outreach to Families

MHA will publicize and disseminate information to the public and community service providers to make known the availability of housing assistance and related services for income eligible families on a regular basis.

Owners Outreach [24 CFR 982.54(d)(5)]

MHA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families. Printed material is offered to acquaint owners and managers with the opportunities available under the program.

MHA encourages participation and will actively recruit property owners of suitable units located outside areas of poverty or minority concentration. ~~Periodically, MHA evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choice and better housing opportunities to families.~~

MHA maintains a list of units located in all neighborhoods that are available for the Section 8 Program and updates this list regularly. When listings from owners are received, they will be compiled by bedroom size and will be provided at MHA offices and at briefings to applicants/participants looking for rental units.

To improve owner relations, recruit new owners, and keep owners informed of program-specific legislative changes, MHA conducts periodic meetings with participating owners, initiates personal contact through formal and informal discussions and meetings, and actively participates in community based organization(s) comprised of private property and apartment owners and managers.

Other Outreach

~~MHA recognizes that in order to more effectively complete its mission, it must rely on the cooperation and collaboration with community service providers, employers, welfare agencies and others. MHA endeavors to create effective working relationships between its staff and other agencies and local employers by establishing personal contacts, participating in meetings or other means to disseminate information about MHA's programs and objectives, and promptly responding (as appropriate) to other agencies' verification of MHAs housing assistance programs.~~

~~Through its proactive outreach efforts and mutual understanding, MHA believes the quality and timeliness of requests for information/verifications from others will be improved, and that MHA program participants will be more fully informed of economic self-sufficiency programs and opportunities available throughout the community.~~

J. SOURCE OF CONTACT

In order to reduce paper and increase the response time to clients, MHA will use email as the preferred means of contact.

K. SPECIAL PROGRAMS

MHA administers up to 2,263 vouchers from the Annual Contributions Contract. 179 of these vouchers are reserved for Veteran Affairs Subsidized Housing (VASH). MHA also administers additional vouchers funded by two Continuum of Care (CoC) grants, and a Moderate Rehab Single Room Occupancy (SRO) referred to as “Elm Street”. Each program has specific guidelines that may differ from the original Section 8 Program. These differences are noted throughout the Administrative Plan.

VASH

MHA fills the 179 VASH vouchers through referrals from the local Veteran Affairs office. VASH vouchers are only portable to areas in which services related to the grant are available.

Continuum of Care (CoC)

MHA’s (CoC) programs are funded by separate grants that provide permanent housing and supportive services (when funds are available for services) to homeless families. CoC vouchers are only portable to areas in which services related to the grant are available.

The Jericho grant serves families that have been incarcerated, are disabled, and meet HUD’s definition of homeless. An application for the Jericho Program is made available to persons that state they meet the basic requirements of the program. Referrals are accepted, but not required for this grant.

The Portage House grant serves families that are mentally disabled and meet HUD’s definition of homeless. An application for the Portage House program is made available to persons that state they meet the basic requirements of the program. Referrals are accepted, but not required for this grant.

Elm Street

Elm Street is a MHA-owned property that houses homeless individuals. It is a moderate rehab SRO. Vouchers allocated to this property cannot be transferred to another property.

Chapter 2

ELIGIBILITY FOR ADMISSION

[24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]

A. ELIGIBILITY FACTORS *[982.201(b)]*

To be eligible for participation and placement on the waiting list, an applicant must meet the following criteria:

- An applicant must be a "family"
 - A "family" may be a single person or a group of persons in which the head of household or spouse is at least 18 years of age or an emancipated minor under State law.
- An applicant must be within the appropriate Income Limits
 - Eligible household's income must not exceed the income limit at 80% of median income set by HUD.
- An applicant must furnish
 - Social Security Numbers for all family members.
 - Declaration of Citizenship or Eligible Immigrant Status and verification **where required.**
- At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before MHA may provide any financial assistance.
- ~~Evidence of Citizenship/Eligible Immigrant Status will not be verified until the family is selected from the waiting list for final eligibility processing for issuance of a Voucher, unless MHA determines that such eligibility is in question, whether or not the family is at or near the top of the waiting list.~~
- An applicant must meet the student rule. See Addendum B

Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" chapter. These reasons for denial constitute additional admission criteria.

NOTE: Eligible household's income must not exceed the income limit at 60% of median income set by HUD for Jericho applicants.

B. FAMILY COMPOSITION [24 CFR 982.201(c)]

~~A "family" may be a single person or a group of persons in which the head of household or spouse is at least 18 years of age or an emancipated minor under State law.~~

CB. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218, 5.233]

Applicant families determined otherwise eligible but who have failed to disclose or provide verification of SSN at the time of eligibility determination, may maintain their position on the waiting list for up to 90 days.

NOTE: Applicants for Section 8 Moderate Rehab Single-Room Occupancy (SRO), may be admitted without providing the requested documentation, but must provide it within 90 calendar days of admission.

D. OTHER CRITERIA FOR ADMISSIONS [24 CFR 982.552(b)]

~~(See Denial/Termination of Assistance chapter of this Administrative Plan)~~

EC. TENANT SCREENING [24 CFR 982.307]

MHA will conduct HUD required screening for eligibility purposes only. MHA **will not** screen family behavior or suitability for tenancy. MHA will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

Information to Prospective Owners

The owner is responsible for screening and selection of the family to occupy the owner's unit.

MHA is required to give all prospective owners a family's current and prior addresses and the names and addresses of owners at the family's current and prior addresses. The same types of information will be given to all families and to all owners.

FD. ILLEGAL DISCRIMINATION

MHA will advise families how to file a complaint if they have been discriminated against by an owner. MHA will advise the family to make a Fair Housing complaint. The PHA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

GE. CHANGES IN ELIGIBILITY PRIOR TO LEASING

Changes that occur during the period between issuance of a voucher and the execution of the HAP Contract may affect the family's eligibility or share of the rental payment.

Chapter 3

APPLYING FOR ADMISSION

[24 CFR 982.204]

A. OVERVIEW OF THE APPLICATION TAKING PROCESS

Families who wish to apply for ~~any one of MHA's~~ MHA's Section 8 Program programs must complete an on-line electronic pre-application form when the waiting list is open.

~~Applications will be made available in an accessible format upon request from a person with a disability.~~

The application process will involve two phases. The first is the "initial" application for assistance (referred to as a pre-application). This first phase results in the family's placement on the waiting list.

The pre-application is electronically dated, time-stamped, and maintained until such time as it is needed for processing eligibility. The pre-application establishes the family's date and time of application and preference claimed for placement order on the waiting list.

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

NOTE: Special Program and homeless preference applicants will be provided a "full application" when funds are available and a referral is received (if applicable).

B. ACCEPTING OPENING/CLOSING OF APPLICATIONS TAKING
[24 CFR 982.206, 982.54(d)(1)]

Opening the Waiting List

When MHA opens the waiting list, MHA will advertise through public notice, the availability and nature of housing assistance for income eligible families in newspapers, minority publications, other media entities, and by other suitable means.

Information provided in the notice will include:

- The dates, times, and the locations where families may apply.
- The program(s) for which applications will be taken.
- A brief description of the program(s).
- Limitations, if any, on who may apply.
- Closing date of the waiting list.
- MHA address and telephone number.
- Instructions for how to submit an application

- Information on eligibility requirements.
- The availability of local preferences.

When the waiting list is open:

- ~~Any family asking to be placed on the waiting list for Section 8 rental assistance will be given the opportunity to complete an application.~~

Closing the Waiting List

MHA will announce the closing of the waiting list by public notice.

- MHA may stop accepting applications if there are enough applicants to fill anticipated openings for the next 12 months.

NOTE: Waiting lists for special programs and homeless preference do not close. The waiting list may not be closed if it would have a discriminatory effect inconsistent with applicable civil rights laws.

C. "INITIAL" APPLICATION PROCEDURES [24 CFR 982.204(b)]

MHA will provide the pre-application form on-line electronically when the waiting list is open. ~~Pre-applications will be made available in an accessible format upon request from a person with a disability~~

Translations will be provided for non-English speaking applicants by appropriate community agencies.

Applications will be made available in an accessible format upon request from a person with a disability.

The purpose of the pre-application is to permit MHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The pre-application will contain at least the following information:

- Applicant name
- Social Security Number

- [Contact information](#)
- Date and time of application
- Qualification for any local preference
- ~~Racial or ethnic designation of the head of household~~
- Annual (gross) family income

MHA will not:

- [Accept duplicate applications](#)
- ~~, including applications from a segment of an applicant household.~~
- Place ineligible families on the waiting list.
- Conduct eligibility interviews during the opening period.
- Verify the information on the pre-application until the applicant has been selected for final eligibility determination.

Final eligibility will be determined when the full application process is completed and all information is verified.

D. [APPLICANTION STATUS WHILE ON WAITING LIST](#) [CFR 982.204]

Applicants are required to inform MHA in writing of changes in [contact information and preference address](#). Applicants are also required to respond to requests from MHA to update information on their application and to determine their interest in assistance. Applicants who do not respond will be removed from the waiting list. [MHA is not responsible for lost or delayed mail/email caused by another party.](#)

If the family is determined to be ineligible based on the information provided in the pre-application, MHA will provide written notification to the family stating the reason(s) and informing them of their right to an informal review.

E. COMPLETION OF A FULL APPLICATION

The qualification for preference must exist at the time the preference is claimed and at the time of verification, because claim of a preference determines placement on the waiting list and the order of selection from the waiting list.

~~After the preference is verified, w~~Applicants~~hen MHA is ready to select applicants from the wait lis,~~ applicants~~!~~ will be required to:

- Complete a full application
- Participate in an interview with MHA staff to review the information on the full application form.
- Provide required documentation

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

The head of household is required to attend the scheduled interview appointment. If an applicant fails to appear for a scheduled appointment,~~it is the applicant's responsibility to contact MHA within 10 days to schedule a,~~ a second and final appointment will be scheduled. ~~Failure to appear for the interview appointment without prior approval of MHA, failure to reschedule, or missing two scheduled appointment, will result in denial of the family's application unless the family can provide acceptable documentation within 10 days to MHA that an emergency circumstance beyond their control prevented them from meeting this requirement.~~

~~If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review. (See "Complaints and Appeals" chapter.)~~

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

Every adult household member must sign a consent form to release criminal conviction records and to allow MHA to receive records and use them in accordance with HUD regulations.

If MHA determines at or after the interview that additional information or document(s) are needed, MHA will request the document(s) or information in writing. The family will be given **10** days to supply the information.

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

[24 CFR Part 5, Subpart D; 982.54(d)(1); 982.204, 982.205, 982.206]

A. WAITING LIST [24 CFR 982.204]

MHA uses a single waiting list for admission to its Section 8 tenant-based assistance program. [A single waiting list is used for each special program.](#)

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

B. ORDER OF SELECTION [24 CFR 982.207(e)]

MHA will select applicants from the current waiting until it is exhausted, before selecting applicants from a new updated waiting list developed as a result of a new opening period.

Applicants will be ordered on the waiting list by separating the applicants into groups based on preferences and ranking applicants within each group by date and time of application. Applicants without a preference will be ordered by date and time of application, after applicants in preference groups.

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

Applicants will be selected from the waiting list in order of preference claimed, date and time. ~~Applicants claiming no preference will be selected in order of date and time after all applicants claiming a preference have been selected.~~

Change in Circumstances

When an applicant claims ~~an additional~~^a preference or a preference previously claimed no longer applies, the applicant will be placed on the waiting list in the appropriate order determined by the change in preference.

[NOTE: Special Program applications will be selected from the wait list by date and time of the application. Preferences are not used for special admission wait list.](#)

C. LOCAL PREFERENCES [24 CFR 982.207]

MHA uses ~~the following local preference:~~ working preference and homeless preference.

Working Preference

~~Families whose Head of Household is a permanent full or part time employee or who are active participants in accredited educational and training programs designed to prepare the individual for the job market. This preference is automatically extended to elderly /disabled families or families whose head or spouse is receiving income based on their inability to work. If a family is extended the working preference due to being elderly or disabled, any co-head or spouse must also meet the qualifications for the preference or extension.~~

Homeless Preference

The homeless preference is given to families : ~~Individuals or families~~ experiencing homelessness who are referred by an approved ~~partnering~~ homeless service organization.

This preference is restricted to families who have been referred by an approved agency. The number of families that qualify for a homeless preference is limited to ~~100~~ 50 families and may vary based voucher availability. MHA may leave the waiting list open only for the population qualified for the homeless preference while keeping it closed for all other applicants. All referrals are subject to MHA's waiting list screening criteria. [PIH 2013-15 (HA)] {Agency Referral Application Procedure}

PIH Definition of Homeless:

An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; or
- An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters,

transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low- income individuals); or

- An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

Additionally, any individual or family who:

- Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; and
- Has no other residence; and
- Lacks the resources or support networks, e.g., family, friends, and faith- based or other social networks, to obtain other permanent housing.

Final Verification of Preferences [24 CFR 982.207]

At the time the applicant is selected from the waiting list, MHA will obtain necessary verifications to determine whether the applicant is eligible for the preference.

Preference Denial [24 CFR 982.207]

If MHA denies a preference, MHA will notify the applicant in writing of the reasons why the preference was denied ~~and offer the applicant an opportunity for an informal review (See Complaints and Appeals Chapter). If the preference denial is upheld as a result of the informal review, or the applicant does not request an informal review, the~~ The applicant will be ~~placed on~~ returned to the waiting list without benefit of the preference.

If the applicant falsifies documents or makes false statements in order to qualify for any preference, the application will be denied.

~~If the applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the waiting list.~~

D. INCOME TARGETING

To meet HUD's income targeting objectives, at least 75% of all new admissions annually will have an income at or below the extremely low income limit which is 30% of the area medium income unless MHA obtains a percentage waiver from HUD.

MHA will admit families who qualify under the Extremely Low Income limit to meet the income targeting requirement, regardless of preference.

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

MHA income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

~~MHA is also exempted from this requirement where MHA is providing assistance to low income or moderate income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.~~

E. REMOVAL FROM WAITING LIST AND PURGING [24 CFR 982.204(c)]

The ~~W~~waiting ~~L~~ist will be purged periodically ~~by a mailing to all applicants~~ to ensure that the waiting list is current and accurate. Applicants will have

~~Any mailings to the applicant which require a response will state that failure to respond within 20 calendar~~14 days from the date of the purge letter to respond. Not responding will result in the ~~applicant's name~~application being ~~dropped~~denied~~from the waiting and removed from the wait~~ list.

If an application is denied, the applicant will be notified in writing and offered an opportunity to request an informal review. (See "Complaints and Appeals" chapter.)

~~If the applicant did not respond to MHA request for information or updates because of a family member's disability, MHA will reinstate the applicant in the family's former position on the waiting list.~~

~~If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope and letter will be maintained in the file.~~

F. SPECIAL ADMISSIONS [24 CFR 982.54(d)(e), 982.203]

When HUD awards special funding for certain family types, families who qualify are placed on the [special program](#) ~~regular-waiting~~ list. When a specific type of funding becomes available, the waiting list is searched for a family meeting the targeted funding criteria. ~~Preferences are not used for special admissions. Families are selected based on the date and time in which they were placed on the waiting list.~~

~~Applicants who are admitted under targeted funding which are not identified as a Special Admission are identified by codes in the automated system. MHA administers the following "Targeted" Programs:~~

- ~~• VASH~~
- ~~• Family Unification Program~~
- ~~• VOA~~
- ~~• Section 8 Moderate Rehabilitation~~
- ~~• Arkansas Cares~~
- ~~• CATCH~~
- ~~• Goodwill~~
- ~~• Homeownership~~

Chapter 5

SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

A. DETERMINING FAMILY ~~UNIT (VOUCHER)~~ SIZE [24 CFR 982.402]

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements. For subsidy standards, an adult is a person 18 years old or older.

Generally, the PHA assigns one bedroom for two people to meet HUD's requirement to provide for the smallest number of bedrooms without overcrowding. However, MHA may consider factors such as family characteristics including sex, age, or relationships within the following guidelines:

- One bedroom will be allowed for every two household members of the same sex, unless they are more than 10 years apart in age.
- One bedroom will be allowed for the Head of Household and spouse, and/or adults who have a spousal relationship/unmarried partners.
- One bedroom will be allowed for every two children ~~age 5 and~~ under [the age of 5](#) regardless of gender.
- A dependent away at school, which lives with the family during school recesses, qualifies under this provision.
- One bedroom will be allowed for live-in aides. No additional bedrooms are provided for the aide's family.
- No bedrooms will be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.
- An unborn child is considered a family member regardless of family size.
- Single person families shall be allocated one bedroom.

The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented. The utility allowance and payment standard used in the rent calculation will be the lesser of the voucher size and the actual unit size.

Guidelines for Voucher and HQS Size

Voucher BR Size	Number of Persons in Household		
	Minimum	Maximum	HQS Maximum (See letter C below)
0 BR	1	1	1
1 BR	1	4	4
2 BR	2	6	6
3 BR	3	8	8
4 BR	6	10	10
5 BR	8	12	12

PHA ~~PHA~~-Error

If MHA errs in the ~~bedroom-voucher~~ size designation, ~~the family will be issued a Voucher of the appropriate size and~~ if the original voucher size was smaller than what the family should have received and:

- ~~The family has already moved into a unit~~ A HAP contract has not been executed; the voucher size will be adjusted and the family will be advised of its new shopping range using the correct payment standard.
- ~~, the family may elect to move after their current lease term is complete. The family may elect to stay in the current unit if they are not over crowded based on HQS space standards.~~
- ~~If the family~~ A HAP Contract has been executed ~~has not moved into a unit~~ when the error is identified, the voucher size will be adjusted. The family will be advised of its new shopping range using the correct payment standard if the unit size does not meet HQS standards. If the unit size meets HQS standards, the family will be allowed to relocate after the initial term of the lease.

~~and the family will be advised of its new shopping range using the correct payment standard.~~

-If the original voucher size was bigger than what the family should have received and:

- A HAP Contract has not been executed when the error is identified, the voucher size will be adjusted and the family will be advised of its new shopping range using the correct payment standard.

~~The~~ A family has already moved into a unit ~~HAP Contract has been~~ executed; MHA will ~~advise the family that the~~ correct the payment standard ~~will be adjusted at the next annual reexamination~~ effective the first month following a

~~30 day notice, and the impact on its subsidy as a result of the adjustment. The family may elect to stay in the current unit if they can afford the increase in family share, or the family can request to move; or~~

- ~~• B. If the family has not moved into a unit when the error is identified, the voucher size will be adjusted and the family will be advised of its new shopping range using the correct payment standard.~~

~~Under-housed and Over-housed Families~~ DECREASE IN FAMILY COMPOSITION

~~Under-housed. If a unit does not meet HQS space standards due to an increase in family size (unit too small), MHA will issue a new voucher of the appropriate size.~~

~~MHA will also notify the family of the circumstances under which an exception will be granted, such as:~~

- ~~• If a family with a disability is under housed in an accessible unit.~~
- ~~• If a family requires the additional bedroom because of a health problem which has been verified by MHA.~~

~~Over-housed: When a family members are is removed from the household between annual reexaminations, MHA will adjust the voucher size, payment standard and utility allowance at the time of the change and will adjust the payment standard at the next annual reexamination or at the change of unit if the family moves prior to the annual reexamination. ~~At the time of the next annual reexamination, or if the family decides to move prior to the annual reexamination, MHA will adjust the payment standard and advise the family of the impact on its subsidy. The family may elect to stay in the current unit if they determine they can afford the increased family share when the new payment standard becomes effective, or the family can request to move.~~~~

Absent from Unit [24 CFR 982.54(d)(10), 982.551]

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

"Temporarily absent" is defined as away from the unit for more than 30 calendar days but less than 60 calendar days.

“Permanently absent” is defined as away from the unit for greater than 60 consecutive calendar days or 90 calendar days in a twelve month period except as otherwise provided in this Chapter.

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

Absence due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, MHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 90 consecutive days, the family member will not be considered permanently absent.

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

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD allowed 180 consecutive days limit.

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

Absence due to Full-time Student Status

Full time students who attend school away from the home will be treated in the following manner:

- A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of Voucher size.

- If the student is included as a family member, the first \$480 of the student's earned income will be counted. The family will also receive a dependent deduction for \$480 and the inclusion in the voucher size determination.

Absence due to Foster Care

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

If the time period is to be greater than 60 calendar days from the date of removal of the child/ren and/or all children are removed from the home permanently.

Absence of Entire Family

Families must notify MHA if they are going to be absent from the unit for more than 30 consecutive calendar days. If the entire family is absent from the assisted unit for more than 60 consecutive calendar days, the unit will be considered to be vacated and the assistance will be terminated.

Caretaker for Children

If neither parent remains in the household nor the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, MHA will treat that adult as a visitor for the first 60 calendar days.

If by the end of that period, court-awarded custody or guardianship has been awarded to the caretaker, the voucher will be transferred to the caretaker.

If the appropriate agency cannot confirm the guardianship status of the caretaker, MHA will review the status at 30 day intervals.

If custody is awarded for a limited time in excess of stated period, MHA will state in writing that the transfer of the voucher is for that limited time or as long as the caretaker has custody of the children.

The caretaker will be allowed to remain in the unit as a visitor until a determination of custody is made.

When MHA approves a person to reside in the unit as caretaker for the child/ren, the income should be counted pending a final disposition.

Reporting

If a family member leaves the household, the family must report this change to MHA, in writing, within 30 calendar days of the change and certify as to whether the member is temporarily absent or permanently absent.

C. INCREASE IN FAMILY COMPOSITION

When a family member is added due to marriage, birth, adoption, or change of custody, MHA will adjust the voucher size, payment standard and utility allowance at the next annual reexamination or at the change of unit if the family moves prior to the annual reexamination. The additional member must be expected to reside in the unit for at least the next 12 months. If a unit does not meet HQS space standards due to an increase in family size (unit too small), MHA will issue a new voucher of the appropriate size.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than 14 consecutive days without MHA approval will be considered to be living in the unit as an unauthorized household member.

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 90 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 51% of the year, the minor will be considered to be an eligible visitor and not a family member.

Reporting

The family must request prior approval of additional household members in writing. If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.

If the family does not obtain prior written approval from MHA, any person the family has permitted to move in will be considered an unauthorized household member. Permitting an unauthorized household member is a violation of the Family Obligations.

In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to MHA in writing within 10 calendar days of the maximum allowable time.

MHA will take into consideration, the impact on the family's voucher size and HQS occupancy standards, when the family requests to add an additional adult other than through marriage. The addition will be denied if the unit does not meet HQS space standards.

NOTE: Additional members may not be added to the household of Elm Street vouchers.

Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION

[24 CFR Part 5, Subparts E and F; 982.153, 982.551]

A. MINIMUM RENT [24 CFR 5.616]

"Minimum rent". is **\$50**. Minimum rent refers to the minimum Total Tenant Payment (TTP) and includes the combined amount a family pays towards rent and/or utilities when it is applied.

B. ~~Hardship Requests~~ HARDSHIP REQUESTS for an Exception to Minimum Rent

MHA recognizes that in some circumstances even the minimum rent may create a financial hardship for families. MHA will review all relevant circumstances brought to MHA's attention regarding financial hardship as it applies to the minimum rent. The following section states MHA's procedures and policies in regard to minimum rent financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998. HUD has defined circumstances under which a hardship could be claimed. (24 CFR 5.630)

Criteria for Hardship Exception

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

- The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance, including a family with a member who is a non-citizen lawfully admitted for permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.
- The family would be evicted as a result of the imposition of the minimum rent requirement. The income of the family has decreased because of changed circumstances, including loss of employment, death in the family, or other circumstances as determined by MHA or HUD

⋮

Temporary Hardship

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

A temporary hardship is a hardship lasting less than 90 days. A loss of employment is considered a temporary hardship unless the loss is due to a medical reason. The duration of hardships due to a loss of employment caused by a medical reason will be subject to MHA review to determine whether the hardship is temporary or long-term.

~~A temporary hardship cannot be renewed after the initial 90 days based solely on the initial hardship situation.~~ MHA will execute a repayment agreement to the family for any such rent not paid during the temporary hardship period. (See "Owner and Family Debts to MHA" chapter for Repayment agreement policy).

Long-Term ~~Duration Hardships~~ /Hardships [24 CFR 5.616(c)(3)]

If MHA determines that there is a qualifying long-term financial hardship, MHA will exempt the family from the minimum rent requirements for a period up to 12 months and can be renewed as long as the hardship continues.

Hardship Renewals

All hardship renewals must be requested in writing using the minimum rent waiver form. Renewals are subject to MHA review and approval. The exemption from minimum rent shall apply from the first day of the month following the family's request for exemption.

~~A temporary hardship cannot be renewed after the initial 90 days based solely on the initial hardship situation.~~

~~B. DEFINITION OF TEMPORARY /PERMANENT ABSENCE FROM UNIT~~ ~~[24 CFR 982.54(d)(10), 982.551]~~

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

~~"Temporarily absent" is defined as away from the unit for more than 30 days but less than 60 days.~~

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

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

Absence of Any Member

~~Any member of the household will be considered permanently absent if s/he is away from the unit for 2 consecutive months or 90 days in a twelve month period except as otherwise provided in this Chapter.~~

~~If a member of the household is subject to a court order that restricts him/her from the home for more than 2 months, the person will be considered permanently absent.~~

Absence due to Medical Reasons

~~If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, MHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 90 consecutive days, the family member will not be considered permanently absent.~~

~~If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with MHA "Absence of Entire Family" policy. A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD allowed 180 consecutive days limit.~~

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

Absence Due to Full-time Student Status

Full-time students who attend school away from the home will be treated in the following manner:

- A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of Voucher size.
- If the student is included as a family member, the first \$480 of the student's earned income will be counted. The family will also receive a dependent deduction for \$480 and the inclusion in the voucher size determination.

Absence due to Incarceration

If the sole member is incarcerated for more than 60 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for 90 consecutive days or more than 180 days in a twelve month period.

MHA will determine if the reason for incarceration is a violation of family obligations or program requirements.

Absence of Children due to Placement in Foster Care

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

If the time period is to be greater than 3 of months from the date of removal of the child/ren and/or all children are removed from the home permanently, the voucher size will be reduced in accordance with MHA's subsidy standards.

Absence of Entire Family

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

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

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

~~Families must notify MHA if they are going to be absent from the unit for more than 30 consecutive days. If the entire family is absent from the assisted unit for more than 60 consecutive days, the unit will be considered to be vacated and the assistance will be terminated.~~

~~If it is determined that the family is absent from the unit, MHA will continue assistance payments for a maximum of 2 months.~~

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

- ~~• Write letters to the family at the unit~~
- ~~• Telephone the family at the unit~~
- ~~• Interview neighbors~~
- ~~• Verify if utilities are in service~~
- ~~• Check with the post office~~
- ~~• Other means as determined necessary.~~

~~A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD allowed 180 consecutive days limit.~~

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

Caretaker for Children

~~If neither parent remains in the household nor the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, MHA will treat that adult as a visitor for the first 60 days.~~

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

~~If the appropriate agency cannot confirm the guardianship status of the caretaker, MHA will review the status at 30 day intervals.~~

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

~~If custody is awarded for a limited time in excess of stated period, MHA will state in writing that the transfer of the Voucher is for that limited time or as long as the caretaker has custody of the children. MHA will use discretion as deemed appropriate in determining any further assignation of the Voucher on behalf of the children.~~

~~The caretaker will be allowed to remain in the unit as a visitor until a determination of custody is made.~~

~~MHA will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 60 days and it is reasonable to expect that custody will be granted.~~

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

Reporting Absences to MHA

~~Reporting changes in household composition is both a HUD and a MHA requirement. If a family member leaves the household, the family must report this change to MHA, in writing, within 30 days of the change and certify as to whether the member is temporarily absent or permanently absent. MHA will conduct an interim evaluation for changes which affect the Total Tenant Payment in accordance with the interim policy.~~

C. VISITORS AND REPORTING ADDITIONS

Visitors

~~Any adult not included on the HUD 50058 who has been in the unit more than 14 consecutive days without MHA approval will be considered to be living in the unit as an unauthorized household member.~~

~~Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 90 days per year without being considered a member of the household.~~

~~In a joint custody arrangement, if the minor is in the household less than 51% of the year, the minor will be considered to be an eligible visitor and not a family member.~~

Reporting Additions to Owner and MHA

~~Reporting changes in household composition to MHA is both a HUD and a MHA requirement.~~

~~The family must request prior approval of additional household members in writing. If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations.~~

~~If the family does not obtain prior written approval from MHA, any person the family has permitted to move in will be considered an unauthorized household member. Permitting an unauthorized household member is a violation of the Family Obligations and may result in loss of assistance.~~

~~In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to MHA in writing within 10 days of the maximum allowable time.~~

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

~~In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.~~

~~MHA may take into consideration, the impact on the family's voucher size and HQS occupancy standards, when the family requests to add an additional adult other than through marriage.~~

D. AVERAGING INCOME

When annual income cannot be anticipated for a full twelve months, MHA may:

- Average known sources of income that vary to compute an annual income; or

- Annualize current income and conduct an interim reexamination if income changes.

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

If, by averaging, an estimate can be made for those families whose income fluctuates from month to month; this estimate will be used so as to reduce the number of interim adjustments.

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

Chapter 7

VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302]

A. ISSUANCE OF VOUCHERS [24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, MHA will issue vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that MHA maximizes available funding while leasing as close as possible to 100 percent of allocated vouchers. MHA will monitor both funding and unit utilization monthly, using HUD's forecasting ~~tool and/or internally developed tools~~[tool](#) to determine whether applications can be processed and the number of vouchers that can be issued/over-issued to maximize leasing.

~~MHA may over-issue vouchers only to the extent necessary to meet leasing goals. All vouchers which are over-issued must be honored. If MHA finds it is over-leased, it must adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the fiscal year.~~

B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]

Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance.

MHA will not issue a voucher to a family unless the household representative has attended a briefing and signed the voucher.

C. TERM OF VOUCHER [24 CFR 982.303, 982.54(d)(11)]

During the briefing session, each household will be issued a voucher which represents a contractual agreement between MHA and the family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective. The voucher is valid for a period of ~~at least sixty~~[60 calendar](#) days from the date of issuance. The family must submit a Request for Approval of the Tenancy ([RTA](#)) within the 60-day period.

Expirations

If the voucher has expired the family will be denied assistance. If the family is currently assisted, they may remain as a participant in ~~their~~-his/her unit if there is an assisted lease/contract in effect (assuming the unit continues to meet program requirements and the owner agrees). Tenants and applicants are not afforded a hearing or review for expired vouchers or the denial and termination due to such expiration.

Extensions

MHA will extend the term an additional 60 calendar days from the expiration date if the family needs and request an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability.

Note: Special Program vouchers are valid for an initial period of 120 calendar days.

D. FAMILY DISSOLUTION

[24 CFR 982.315]

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court,

~~the Executive Director's designee~~MHA shall consider the following factors to determine which of the families will continue to be assisted:

- Which of the two new family units have custody of dependent children?
- Which family member was the head of household when the voucher was initially issued (listed on the initial application).
- The composition of the new family units, and which unit contains elderly or disabled members.
- Whether domestic violence was involved in the breakup.

- Which family members remain in the unit.
- Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, MHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

E. ~~REMAINING MEMBER OF TENANT FAMILY -- RETENTION OF VOUCHER~~
~~VOUCHER~~ [24 CFR 982.315]

To be considered the remaining member of the assisted family, the person must have been previously approved by MHA to be living in the unit.

A live-in aide, ~~by definition, is not a member of the family and~~ will not be considered a remaining member of the family.

~~In order for a minor child(ren) to continue to receive assistance as a remaining family member:~~

- ~~• The court has to have awarded emancipated minor status to the minor; or~~
- ~~• MHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.~~

Chapter 8

HOUSING QUALITY STANDARDS INSPECTIONS [24 CFR 982.401]

A. TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

There are four types of inspections MHA will perform:

1. Initial/Move-in: Conducted upon receipt of Request for Tenancy Approval (RFTA). MHA ~~only~~ conducts only initial inspections for homeownership units.
2. Biennial: Conducted within 24 months of the last passed annual/bi-annual inspection.
3. Special/Complaint: At request of owner, family or an agency or third-party.
4. Quality Control.

The family must allow MHA to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551(d)]

- Inspections will be conducted on business days only.
- Reasonable hours to conduct an inspection are between 8:00 a.m. and 5:00 p.m.

- The family and owner are notified of the date and time of the inspection appointment prior to the inspection. ~~MHA only conducts initial inspections for homeownership units.~~

Initial ~~Hqs~~HQS i Inspection [24 CFR 982.401(a), 982.305(b)(2)]

MHA will conduct the initial inspection, determine whether the unit satisfies the Housing Quality Standards (HQS) and notify the family and owner of the determination no later than 15 calendar days after the family and the owner have submitted a Request for Tenancy Approval (RFTA), provided the unit is ready to be inspected when the RFTA is received by MHA.

MHA ~~may~~ will deny the RFTA if the unit will not be ready for inspection within 230 calendar days of RFTA receipt.

After 2 unsuccessful attempts to inspect the unit at reasonable times with reasonable notice, assistance for that unit will be denied ~~or~~ and the family will be issued a new RFTA.

If the unit fails the initial ~~Housing Quality Standards~~HQS inspection, the family and owner will be advised to notify MHA once repairs are completed. The owner will be given up to 10 calendar days to correct the ~~items noted as Fail~~ failed items.

The owner will be allowed up to 1 re-inspection for repair work to be completed.

If repairs are not completed within this 10 day period, the RFTA will be denied and a new RFTA will be issued to the family.

Biennial ~~Hqs~~HQS Inspections [24 CFR 982.405(a)]

~~The family must allow MHA to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551(d)]~~

- ~~• Inspections will be conducted on business days only.~~
- ~~• Reasonable hours to conduct an inspection are between 8:00 a.m. and 5:00 p.m.~~
- ~~• The family and owner are notified of the date and time of the inspection appointment by mail or phone prior to the inspection.~~

If the family or an adult designee is unable to be present, they must reschedule the appointment so that the inspection is completed within 30 calendar ~~30~~-days.

MHA will provide notice to the family and owner of a failed inspection and the re-inspection appointment date. The notice contains a warning of abatement (in the case of owner responsibility). If the family was responsible for a breach of HQS, they will be advised of their responsibility to correct.

Units managed/owned by a landlord that has a history (within the past 12 months) of HQS noncompliance ~~is~~ may be subject to annual inspections.

~~Time Standards for Repairs~~

~~Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification.~~

~~For non-emergency items, repairs must be made within 30 days.~~

~~An extension beyond 30 days may be approved at MHA's discretion.~~

Special/Complaint Inspections [24 CFR 982.405(c)]

Special inspections must be requested in writing using MHA's inspection form. If at any time MHA is notified that the unit does not meet ~~Housing Quality Standards~~, MHA will conduct an inspection.

MHA will inspect only the items which were reported, but if the inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

If the biennial inspection date is within 90 calendar days of a special inspection, and as long as all items are inspected that are included in a biennial inspection, the special inspection will be categorized as biennial and all biennial procedures will be followed.

The process for notifying the owner and tenant of failed items identified during a special or complaint inspection, and any subsequent re-inspections, is the same as the biennial inspection process.

Quality Control Inspections [24 CFR 982.405(b)]

The minimum number of Quality Control (QC) inspections performed ~~by the Executive Director's designee~~ will be no less than the required SEMAP sample size. The purpose of ~~Quality Control~~ inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.

The sampling will include recently completed inspections (within the prior 3 months), a cross-section of neighborhoods, and a cross-section of inspectors and both units that pass and fail inspection.

Time Standards for Repairs

Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification.

For non-emergency items, repairs must be made within 30 days.

An ~~e~~Extensions can be requested in writing and ~~beyond 30 days~~ may be approved at MHA's discretion. Requests for extensions must be received by MHA before close of business of the initial deadline.

Chapter 9

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

[24 CFR 982.502, 982.503, 982.504, 982.505, 982.507]

A. ~~RENT TO OWNER:- REASONABLE RENT~~ [24 CFR 982.507]

Rent Reasonableness Methodology

MHA utilizes a rent reasonableness system which includes and defines the HUD factors listed above. The system has a total point count which is collected for each data point and determines which are statistically significant.

MHA uses an "appraisal" method and tests the subject unit against selected units in the same zip code area with similar characteristics. Adjustments are made for favorable and unfavorable differences between the subject unit and the comparable.

MHA maintains a survey form which includes data on unassisted units for use by staff in making rent reasonableness determinations. The data significant features include the number of bedrooms, building type, square footage, building age, median income, and several amenities. The outliers are eliminated and the values are assigned to each feature to determine appropriate adjustments.

B. RENT INCREASE REQUESTS

During the initial term of the lease, the owner may not raise the rent ~~unless directed by HUD~~. Following the initial lease term, the owner is required to notify MHA, in writing, at least 60 calendar days before the requested effective date of the increase. MHA will determine whether the new rent to owner is reasonable, ~~whether the unit is in compliance with HQS as of the most recent inspection,~~ and will advise the owner and tenant of either acceptance or denial of the new rent amount and the effective date.

C. PAYMENT STANDARDS ~~FOR THE VOUCHER PROGRAM~~ [24 CFR 982.503]

MHA will establish a single voucher payment standard amount for each FMR area in MHA jurisdiction. For each FMR area, MHA will establish payment standard amounts for each "unit size". MHA may have a higher payment standard within MHA's jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90-110% of FMR range.

MHA will review its voucher payment standard amounts at least annually to determine whether more than 40 percent of families in a particular unit size are paying more than 30% of their annual adjusted income for rent.

~~MHA may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities.~~

Adjustments To Payment Standards [24 CFR 982.503]

~~Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. MHA will not raise Payment Standards solely to make "high end" units available to Voucher holders. MHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.~~

~~MHA will review its voucher payment standard amounts at least annually to determine whether more than 40 percent of families in a particular unit size are paying more than 30% of their annual adjusted income for rent.~~

If it is determined that particular unit sizes in MHA's jurisdiction have payment standard amounts that are creating rent burdens for families, MHA will modify its payment standards for those particular unit sizes.

~~MHA will increase its payment standard within the basic range for those particular unit sizes to help reduce the percentage of annual income that participant families in MHA's jurisdiction are paying.~~

~~MHA will establish a separate voucher payment standard, within the basic range, for designated parts its jurisdiction if it determines that a higher payment standard is needed in these designated areas to provide families with quality housing choices and to give families an opportunity to move outside areas of high poverty and low income.~~

~~MHA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.~~

~~MHA will review the average percent of income of families on the program. If more than — 25% of families are paying more than 30% of monthly adjusted income, MHA will determine whether there is a difference by voucher size, whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by MHA in the Administrative Plan.~~

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units or luxury units, MHA may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, MHA will continue increasing the payment standard.

MHA may consider the average time period for families to lease up under the ~~V~~voucher program. If more than 25% of Voucher holders are unable to locate suitable housing within the term of the voucher and MHA determines that this is due to rents in the jurisdiction being unaffordable for families even with the presence of a voucher, the Payment Standard may be adjusted.

~~Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.~~ When MHA lowers the Payment Standard for any FMR area, the lower Payment Standard will be applied as follows:

- At the time of initial leasing or either a family new to the program or at the time an existing participating family moves to a new unit; or,
- At the second annual reexamination date following the effective date of the lower Payment Standard (unless an authorized waiver is received from HUD to implement the new Payment Standard sooner)

~~Before increasing the Payment Standard, MHA may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served.~~

~~For this purpose, MHA will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.~~

Exception Payment Standards

~~If the dwelling unit is located in an exception area, MHA must use the appropriate payment standard amount established by HUD for the exception area in accordance with regulation at 24 CFR 982.503(c).~~

Chapter 10

RECERTIFICATIONS

[24 CFR 982.516]

A. ANNIVERSARY DATE

MHA is required to complete an annual certification for each family effective the first day of the anniversary month. The month that a family moves into their initial unit is known as the family's anniversary month. Families admitted to the program prior to 2018 have an anniversary date determined by the month that they moved into their last unit. Families with an anniversary month different than the month of the initial move-in will continue to be recertified based on their original anniversary month until the family relocates to another unit. When a family relocates to another unit, an annual will be completed and the anniversary month will be changed.

~~AB. FAILURE TO RESPOND TO NOTIFICATION TO RECERTIFY~~

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with MHA, MHA will reschedule a second appointment. If the family does not appear for the second appointment, and has not rescheduled or made prior arrangements with MHA, MHA will terminate the families' assistance.

If the tenant misses a certification appointment(s) and/or causes a delay in the processing of the annual certification and the annual certification results in an increase of tenant portion of rent, the rent change will be effective the first day of the month following MHA's processing of the change. A 30 day notice is not required for tenant-caused delays. Any HAP overpayment for months previous to the effective date of the annual certification will be required to be paid to MHA by the tenant.

If the tenant misses a certification appointment(s) and/or causes a delay in the processing of the annual certification and the annual certification results in a decrease of tenant portion of rent, the rent change will be effective the first day of the month following MHA's processing of the change. MHA will not retroactively pay any additional HAP for months previous to the effective date.

~~BC. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)~~

~~Standard for Timely Reporting of Income Changes~~

MHA requires that families report income changes to MHA in writing within 30 calendar days of the change. ~~Not reporting changes in income within the 30 days is considered a violation of family obligations and may result in the termination of assistance.~~

If the change is an increase in income, the change will be effective the first day of the month following a 30 day notice to the tenant and landlord.

-If the change is a decrease in income, the change will be effective the first day of the month following the written report of the change. If the decrease in income is reported to MHA after the 10th of the month, the difference in housing assistance paid by MHA may not be processed until the second month following the change. The tenant should continue to pay the same portion of rent until MHA provides the tenant and landlord with a notice of a change.

Failure to Report Income/Late Reporting of Income

If the family fails to report an increase in income within 30 [calendar](#) days of the change, MHA will determine if the failure to report the income was [a deliberate act or the family has a pattern of not reporting income](#) by reviewing the tenant file.

~~The determination if the nonreporting of income is deliberate includes but is not limited to: if the tenant reported decreases in income but not increases, omitted information on applications or other forms, or provided false information to MHA. If MHA determines that the failure to report income is deliberate or if the family has a history fraudulent in nature of not reporting income timely, the family's voucher assistance will be terminated. The family is still required to return the overpayment to MHA.~~

-If the failure to report income is determined to not be ~~a fraudulent or a deliberate act~~ [and there is no history of failing to report income increases](#), MHA will give the family the opportunity to enter into a repayment agreement and continue receiving housing assistance contingent upon the family meeting the repayment agreement requirements.

Rent changes caused by increases of income that is not reported or reported by the tenant late, will be effective the first day of the month following MHA's processing of the change. A 30 day notice is not required for tenant-caused delays.

Chapter 11

MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

[24 CFR 982.314, 982.353, 982.355(a)]

A. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(a)]

Families will not be permitted to move:

- ~~within MHA's jurisdiction during~~ During the initial year of assisted occupancy.
- ~~MHA will deny permission to move if there is i~~nsufficient funding for continued assistance.
- The family has violated a family obligation within the past 12 months.
- The family owes MHA money.
- A voucher issued to the family ~~to relocate~~ expired within the past 6 months.

B. PROCEDURE FOR MOVES [24 CFR 982.314]

Notice Requirements

The family must give the ~~owner~~ landlord and MHA a notice to vacate no less than the required number of days written notice of intent to vacate specified in the lease and must give a copy to MHA's simultaneously. 30 days from the move out date on the notice. If the lease requires a notice longer than 30 calendar days, the family must provide the notice in compliance with the lease. The move out date must be the last day of the month. The copy of the notice to vacate provided to MHA must be on MHA's notice to vacate form.

MHA prorates the HAP and UAP amount for the first ~~and last~~ month of the HAP contract term. MHA does not prorate the last month of the HAP contract.

Retraction of

~~Other Move Requirements~~ Notice to Vacate

~~If the family does not locate a new unit,~~ A family may retract their notice to vacate and they may remain in the current unit if the landlord is in agreement so long as a continuance of occupancy form is provided to MHA no later than 10 calendar

~~days written documentation in support of the family remaining is provided to MHA.~~ after the move out date on the notice to vacate. HAP contracts will not be reinstated for continuance requests received after the 10 days.. If the landlord does not agree to the continuance, the family must provide MHA with an acceptable RTA before the voucher expires.

Any continuance of occupancy form received after the 15th day of the month may not be processed in time for the next month check run. In these cases, the HAP contract has not been reinstated and the tenant is responsible for the full rent. Retroactive HAP payments resulting from approved continuance of occupancy requests received after the 15th day of the month will be made retroactively to the landlord the first of the month after the continuance of occupancy request is processed.

Retraction of Request for Tenancy Approval (RTA)

MHA will not allow a tenant to retract a RFTA for reasons other than extenuating circumstances after MHA passes the inspection for a unit unless the tenant remains in his or her current unit and a continuance of occupancy form is provided to MHA and meets the qualifications to retract the notice to vacate.

~~The annual recertification date will be changed to coincide with the new lease-up date.~~

C. PORTABILITY [24 CFR 982.353]

Families will not be permitted to move outside MHA's jurisdiction before or during their initial year of occupancy inside MHA's jurisdiction. ~~under portability procedures during the initial year of assisted occupancy.~~

Chapter 12

DENIAL OR TERMINATION OF ASSISTANCE

[24 CFR 5.902, 5.902, 5.903, 5.905, 982.4, 982.54, 982.552, 982.553]

A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.54, 982.552, 982.553]

The following are grounds for denial assistance for applicants and termination of assistance for participants.

- The family does not meet the income requirements set by HUD.
- Failure to disclose and verify Social Security Numbers (as provided by 24 CFR 5.216)
- Failure to correct an HQS breach caused by the family as described in 982.404(b).
- Failure to ~~allow MHA~~ allow MHA to inspect the unit at reasonable times and after reasonable notice.
- ~~Moving from the assisted unit prior to notifying the owner and/or MHA. Notice should be given to the owner and, at the same time, MHA.~~
- _____
- Not using the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by MHA. The family must promptly inform MHA of the birth, adoption or court-awarded custody of a child. The family must request MHA approval to add any other family member as an occupant of the unit.
- The family must promptly notify MHA if any or all family members ~~is~~ no longer resides in the unit.
- Engaging in legal profit-making activities in the unit that are not incidental to primary use of the unit as a residence by members of the family. If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it will be considered a violation.
- ~~The family must promptly notify MHA of absence from the unit.~~
- Owning or having any interest in the unit.

- Family is under contract and 180 days have elapsed since MHA's last housing assistance payment was made. If a family fails to report income that results in zero HAP, the 180 days will be counted retroactively.
- Missing two consecutive appointments, including inspections, without rescheduling prior to the appointment.
- ~~Reoccurring violations of the program rules. If a tenant misses an appointment that results in a decrease in HAP, the tenant will be owe MHA for any overpayment due to the delay.~~
- _____
- Conviction of manufacturing or producing methamphetamine on the premises of federally assisted housing.
- “Engaged in or engaging” in illegal use of a drug. “Engaged in or engaging in” means any act within the past 3 years by an applicant or participant or household member which involved drug-related activity. The existence of the above-referenced behavior by any household member, regardless of the applicant or participant’s knowledge of the behavior, shall be grounds for denial or termination of assistance. In an effort to prevent future drug related activity that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by 24 CFR 982, Subpart L and CFR Part 5, Subpart J, MHA will screen applicants as thoroughly and fairly as possible for drug-related criminal behavior. MHA will not use arrests without a conviction as evidence of criminal behavior. MHA will take into account the severity of the charge and rehabilitation efforts when making the decision of denial and termination of housing assistance. Such screening will apply to any member of the household who is 18 years of age or older.
- MHA determines there is reasonable cause to believe that a household member abuses alcohol in a way that may interfere with the health, safety or peaceful enjoyment of other residents including cases where MHA determines that there is a pattern of alcohol abuse. MHA will consider the use of alcohol to be a pattern if there is more than one incident during the previous 6 months.
- “Engaged in or engaging in” violent criminal activity. “Engaged in or engaging in” means any act within the past 3 years by an applicant or participant or household member which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage. The existence of the above-referenced behavior by any household member, regardless of the applicant or participant’s knowledge of the behavior, shall be grounds for denial or termination of assistance. In an effort to prevent future violent criminal activity that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by 24 CFR 982,

Subpart L and CFR Part 5, Subpart J, MHA will screen applicants as thoroughly and fairly as possible for violent criminal behavior. MHA will not use arrests without a conviction as evidence of criminal behavior. MHA will take into account the severity of the charge and rehabilitation efforts when making the decision of denial and termination of housing assistance. Such screening will apply to any member of the household who is 18 years of age or older.

- Subject to a lifetime registration requirement under a State sex offender registration program.
- Eviction for any reason or the landlord notifies the family of termination of tenancy from housing assisted under any federally assisted housing for serious violation of the lease within the past 3 years. The family must promptly give MHA a copy of any owner eviction notice.
- Repeated or serious violation of the lease. The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:
 - Owner terminates tenancy through court action for serious or repeated violation of the lease.
 - Nonpayment of rent is considered a serious violation of the lease. Evidence of payments may be required for verification of payments.
 - Police reports, neighborhood complaints or other third party information that has been verified by MHA.
- Excessive damage beyond normal wear and tear in the previously assisted unit.
- Failing to sign and submit consent forms for obtaining information in accordance with HUD guidelines.
- When required under the regulations to establish citizenship or eligible immigration status.
- Violation of any family obligation under the program as listed in 24 CFR 982.551.
- Committing fraud, bribery or any other corrupt or criminal act in connection with any federal housing program. Not reporting income within 30 days of the increase may be considered fraud.
- The family currently owes rent to another PHA in connection with Section 8 or public housing assistance under the 1937 Act. The family will be given 30 days to pay the balance in full before the denial or termination. If the family owes a balance to MHA, at its discretion, MHA may offer the family the opportunity to enter into a repayment agreement.

- Failure to enter into or make payments in accordance with a repayment agreement with MHA.
- The family has engaged in or threatened abusive or violent behavior toward MHA personnel.

"Abusive or violent behavior towards MHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

NOTE: VASH clients cannot be terminated for missing appointments.

Allowable Exceptions

In appropriate cases, MHA may permit the family to continue receiving assistance provided that family member/s determined to have engaged in the proscribed activities will not reside in the unit or has completed a supervised rehabilitation program approved by MHA. If the violating member is a minor, MHA may consider individual circumstances with the advice of Juvenile Court officials.

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

MHA will pursue fact-finding efforts as needed to obtain credible evidence.

B. TERMINATION OF ASSISTANCE DUE TO LACK OF ADEQUATE FUNDING

In the event that the MHA's Annual HAP Budget Authority will no longer support the number of Families currently participating in the program, the MHA shall determine the number of families that must be terminated from assistance due to the lack of adequate funding from HUD. The MHA shall follow the steps outlined in this section in terminating assistance to families.

Determining Vouchers to be Terminated

The MHA shall terminate the voucher of a Family based on the Family's date of admittance to the program. For this purpose, the MHA shall consider the Family's Lease date under the MHA's Section 8 Program to be the date of admittance to the HCVP. The Family that was first admitted to the program, according to their Lease date, shall be the first to have the voucher terminated due to the lack of adequate funding from HUD. Any Family that fits in at least one of the categories listed below will have the voucher terminated based on the date of admission after the voucher termination of Families that do not fit in any of the categories. Vouchers of Families in a Veterans Affairs Supportive Housing (VASH) program will be the last to be terminated regardless of category.

- (a) Elderly Family
- (b) Disabled Family
- (c) Any Family that is under an agreement in the Homeownership program
- (d) Any Family with minors in the household

Resumption of Terminated Subsidies

The MHA will reissue a voucher to Families where the voucher has been terminated due to lack of funding only when funding is restored to levels adequate to support the resumption of additional HAP payments. The MHA will do so by the participants admittance dated (original lease date) beginning with the most recent admittance date to oldest admittance date. Families that were in the VASH program will be reissued vouchers based on admittance date first, pending the approval of the Veteran Affairs. Families that fit in at least one of the categories at the time of termination will be reissued vouchers based on the admittance date before Families that did not fit in any of the categories.

C. NOTICE OF DENIAL/TERMINATION

If MHA decides to terminate assistance to the family, MHA must give the family written notice which states:

- The reason(s) for the proposed termination;
- The effective date of the proposed termination;

- The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance;
- The date by which a request for an informal hearing must be received by MHA.

Tenants whose voucher is referred to MHA by a special program and remains part of that program may not be granted an appeal for the termination of assistance if the termination is directed by the administration of the special program.

D. OWNER DISAPPROVAL AND RESTRICTION

[24 CFR 982.54, 982.306, 982.453]

The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

MHA will disapprove the owner for the following reasons:

- HUD has informed MHA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
- HUD has informed MHA that the Federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other Federal equal opportunity requirements and such action is pending.
- HUD has informed MHA that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other Federal equal opportunity requirements.
- Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. MHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.
- In cases where the owner and tenant bear the same last name, MHA may, at its discretion, require the family and or owner to certify whether they are related to each other in any way.
- MHA may at their discretion, depending on the seriousness and conditions, prohibit an owner from participating for the following reasons:
 - The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

- The owner has committed fraud, bribery or any other corrupt act in connection with any Federal housing program.
- The owner has engaged in drug-related criminal activity or any violent criminal activity.
- The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program.
- The owner has a history or practice of renting units that fail to meet State or local housing codes.
- The owner has committed criminal activity or any violent criminal activity which warrant a record of a felony or misdemeanor.
- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - Threatens the right to peaceful enjoyment of the premises by other residents;
 - Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing;
 - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or
 - Is drug-related criminal activity or violent criminal activity.
- The owner has not paid State or local real estate taxes, fines or assessments.
- The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.

Allegations of owner fraud and abuse or frequent or serious contract violations are to be immediately brought to the attention of the Executive Director's designee. The Executive Director's designee will conduct a timely, thorough investigation, reviewing all relevant factors and, in accordance with the guidance provided by the Administrative Plan, and will make a recommendation to the Executive Director as to what actions should be taken, if any.

The decision of the Executive Director is to be considered final. When temporary or permanent disapproval is appropriate, the date of decision, Owner (Vendor) name, Vendor number and the term of the disapproval will be recorded on MHA Owner Disapproval and Restriction Log and will be made available to the Customer Service Representative and appropriate Housing Specialists to review returning RFTAs against upon receipt.

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, MHA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. MHA may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner, MHA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

See Program Integrity Addendum for guidance as to how owner fraud will be handled.

Chapter 13

OWNER OR FAMILY DEBTS TO MHA [24 CFR 982.552]

A. PAYMENT AGREEMENT FOR FAMILIES [24 CFR 982.552 (c)(v-vii)]

A Payment Agreement as used in this Plan is a document entered into between MHA and a person who owes a debt to MHA.

MHA will prescribe the terms of the payment agreement, including determining whether to enter into a payment agreement with the family based on the circumstances surrounding the debt to MHA. The repayment agreement must be signed by the tenant and MHA. Tenants who do not agree to repay amounts due in accordance with HUD regulations and MHA's policy will be in non-compliance and subject to termination of tenancy.

Disapproval of Payment Agreement

Circumstances in which MHA may not enter into a payment agreement are:

- If the family already has a Payment Agreement in place.
- The maximum length of time MHA will enter into a payment agreement with a family is 24 months.
- MHA determines that the debt amount is larger than can be paid back by the family within 24 months.

MHA will calculate payment agreement affordability as follows:

- 40% of the family's monthly adjusted income less the tenant's monthly total tenant payment (TTP) at the time of the repayment agreement is executed equals the monthly payment amount the family can afford.
- Subtract the total of the monthly payment amount *24 months from the total debt amount.
- The remainder is the amount the family would have to pay as a lump sum prior to entering the payment agreement. If the family is unable to pay the lump sum, the debt is considered more than can be paid back in 24 months.
- Example: Debt due to MHA is \$5,000. 40% of family's monthly adjusted income is \$500. The rent amount paid by the family is \$400. $\$500 - \$400 = \$100$ maximum monthly payment agreement amount. $\$100 * 24 \text{ months} = \$2,400$. $\$5,000 - \$2,400 = \$2,600$. \$2,600 is the lump sum the family would

have to pay, before a payment agreement could be established. If the family is unable to pay the lump sum, the amount of debt is considered to be larger than the family's ability to pay within 24 months.

The monthly payment may exceed 40% of the family's monthly adjusted income if the family agrees to the amount stated in the repayment agreement.

Late Payments

A payment due under a payment agreement will be considered to be in arrears if the payment is not received within 5 days of the due date.

If the family's payment agreement is in arrears, and the family has not made arrangements with MHA, MHA may impose any or all of the following:

- Require the family to pay the balance in full.
- Pursue civil collection of the balance due.
- Terminate the housing assistance.

B. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION [24 CFR 982.163]

HUD's definition of program fraud and abuse is a single act or pattern of actions that:

- Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

C. GUIDELINES FOR PAYMENT AGREEMENTS [24 CFR 982.552(c)(v-vii)]

Payment agreements will be executed between MHA and the head of household.

The payment agreement must be executed by the Executive Director's designee or their designee.

Payments may only be made by money order or cashier's check.

The agreement will be in default when a payment is delinquent by the 5th of the month.

Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family, verification of the hardship, and the approval of the Executive Director's designee. Regardless of the decrease, the total balance must be paid within 24 months from the date of the first due date.

A family's request to move will not be approved until the debt is paid in full unless the move is the result of the following causes, and the payment agreement is current:

- Family size exceeds the HQS maximum occupancy standards
- The HAP contract is terminated due to owner non-compliance or opt-out
- A natural disaster

D. OWNER DEBTS TO MHA [24 CFR 982.453(b)]

If MHA determines that the owner has retained housing assistance the owner is not entitled to, MHA may reclaim the amounts from future housing assistance owed the owner for any units under contract.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed, MHA may require the owner to pay the amount in full within 30 days.

E. OTHER REQUIREMENTS

Families are required to pay all debts owed whether or not they continue to receive assistance. HUD does not allow PHAs to grant amnesty or debt forgiveness for debts incurred as a result of the family's failure to report some or all income.

Per HUD's requirements to fully utilize EIV, MHA will report any debts owed by the family in the EIV Debts Owed module. Former tenants may dispute debt and termination information for a period of up to three years from the end of participation date.

Chapter 14

COMPLAINTS AND APPEALS

A. COMPLAINTS TO MHA

MHA may require that complaints other than HQS violations and employee complaints be submitted using the electronic format provided on MHA website.

B. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

Procedure for Review

A request for an informal review must be received **in writing** no later than 15 days from the date of MHA's notification of denial of assistance.

The applicant will be given the option of presenting oral or written objections to the decision. Both MHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

After a review date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. The request to reschedule must be received by MHA before 48 hours of the scheduled hearing date.

If a family does not appear at a scheduled review and has not rescheduled the review in advance, the family must contact MHA within 48 hours, excluding weekends and holidays. MHA will reschedule the review only if the family provides documentation within 7 days, substantiating circumstances beyond the family's control.

If the family misses an appointment or deadline ordered by the reviewer during the initial review, the action of MHA shall take effect and another review will not be granted.

C. INFORMAL HEARING PROCEDURES *[24 CFR 982.555(a-f), 982.54(d)(13)]*

Hearings are provided for applicants who are denied assistance before the effective date of the HAP contract due to citizenship status and to participating participants who

are terminated from the housing choice voucher program and/or FSS program; and/or disputing the amount of assistance.

Procedure for Hearing

A request for an informal hearing must be received **in writing** no later than 15 days from the date of MHA's notification regarding the termination of assistance.

The review may be conducted by a staff person who is at the Manager level or above or an individual from outside MHA.

The notification of hearing will contain:

- The date and time of the hearing
- The location where the hearing will be held
- The family's right to bring evidence, witnesses, legal or other representation at the family's expense
- The right to view any documents or evidence in the possession of MHA upon which MHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. The request to reschedule must be received by MHA before 48 hours of the scheduled hearing date.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact MHA within 48 hours, excluding weekends and holidays. MHA will reschedule the hearing only if the family provides documentation within 7 days, substantiating circumstances beyond the family's control. The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The Hearing Officer may ask the family for additional information or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

The Hearing Officer has the authority to control the number of persons in the hearing at any one time and maintain order of the hearing. The Hearing Officer may request that parties not immediately needed in the hearing, wait outside of the hearing to be called in individually.

If the family misses an appointment or deadline ordered by the Hearing Officer during the initial hearing, the action of MHA shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action, inaction or decision of MHA is in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

In addition to other rights contained in this Chapter, MHA has a right to:

- Present evidence and any information pertinent to the issue of the hearing;
- Be notified if the family intends to be represented by legal counsel, advocate, or another party;
- Examine and copy any documents to be used by the family prior to the hearing;
- Have its attorney present; and
- Have staff persons and other witnesses familiar with the case present.

A notice of the hearing findings will be provided in writing to the participant before the date of assistance termination. It shall include the decision of the review officer and an explanation of the reasons for the decision.

MHA is not bound by hearing decisions:

- Which concern matters in which MHA is not required to provide an opportunity for a hearing;
- Which conflict with or contradict to HUD regulations or requirements;
- Which conflict with or contradict Federal, State or local laws; or
- Which exceed the authority of the person conducting the hearing.

D. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while MHA hearing is pending but assistance to an applicant may be delayed pending MHA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, MHA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with MHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give MHA a copy of the appeal and proof of mailing or MHA may proceed to deny or terminate. The time period to request an appeal may be extended by MHA for good cause.

The request for a MHA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members MHA will:

- Deny the applicant family
- Defer termination if the family is a participant and qualifies for deferral
- Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, MHA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.
- Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
- Participants whose assistance is pro-rated either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.
- Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

GLOSSARY

A. ACRONYMS USED IN SUBSIDIZED HOUSING

AAF	Annual Adjustment Factor. A factor published by HUD in the Federal Register which is used to compute annual rent adjustment.
ACC	Annual Contributions Contract
BR	Bedroom
CDBG	Community Development Block Grant
CFR	Code of Federal Regulations. Commonly referred to as "the regulations". The CFR is the compilation of Federal rules which are first published in the Federal Register and define and implement a statute.
CPI	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
EFT	Electronic Funds Transfers
ELI	Extremely Low Income
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act - Social Security taxes
FmHA	Farmers Home Administration
FMR	Fair Market Rent
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accounting Office
GFC	Gross Family Contribution. Note: Has been replaced by the term Total Tenant Payment (TTP).
GR	Gross Rent
HAP	Housing Assistance Payment
HAP Plan	Housing Assistance Plan

HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	The Department of Housing and Urban Development or its designee.
HURRA	Housing and Urban/Rural Recovery Act of 1983; resulted in most of the 1984 HUD regulation changes to definition of income, allowances, rent calculations
IG	Inspector General
IGR	Independent Group Residence
IPA	Independent Public Accountant
IRA	Individual Retirement Account
MHA	Little Rock Housing Authority
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
PHA	Public Housing Agency
PMSA	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
PS	Payment Standard
QC	Quality Control
RFTA	Request for Approval of Tenancy
RFP	Request for Proposals
RRP	Rental Rehabilitation Program
SRO	Single Room Occupancy
SSMA	Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area.
TR	Tenant Rent
TTP	Total Tenant Payment
UA	Utility Allowance
URP	Utility Reimbursement Payment

B. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING

1937 ACT. The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)

ADMINISTRATIVE PLAN. The HUD required written policy of the PHA governing its administration of the Section 8 tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and a copy submitted to HUD as a supporting document to the PHA Plan.

ABSORPTION. In portability, the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

ACC RESERVE ACCOUNT (FORMERLY "PROJECT RESERVE"). Account established by HUD from amounts by which the maximum payment to the PHA under the consolidated ACC (during a PHA fiscal year) exceeds the amount actually approved and paid. This account is used as the source of additional payments for the program.

ADA. Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)

ADJUSTED INCOME. Annual income, less allowable HUD deductions.

ADMINISTRATIVE FEE. Fee paid by HUD to the PHA for administration of the program.

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

ANNUAL BUDGET AUTHORITY. The maximum annual payment by HUD to a PHA for a funding increment.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written contract between HUD and a PHA. Under the contract HUD agrees to provide funding for operation of the program, and the PHA agrees to comply with HUD requirements for the program

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

ANNUAL INCOME AFTER ALLOWANCES. The Annual Income (described above) less the HUD-approved allowances.

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

"AS-PAID" STATES. States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

ASSETS. (See Net Family Assets.)

ASSISTED TENANT. A tenant who pays less than the market rent as defined in the regulations. Includes tenants receiving rent supplement, Rental Assistance Payments, or Section 8 assistance and all other 236 and 221 (d)(3) BMIR tenants, except those paying the 236 market rent or 120% of the BMIR rent, respectively.

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

CERTIFICATE. A Certificate issued by the PHA under the Section 8 pre-merger certificate program, declaring a family to be eligible for participation in this program and stating the terms and conditions for such participation. Will no longer be issued after October 1, 1999.

CERTIFICATE PROGRAM. Pre-merger rental certificate program.

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

CO-HEAD. An individual in the household who is equally responsible for the lease with the Head of Household. (A family never has a Co-head and a Spouse and; a Co-head is never a Dependent).

COMMON SPACE. In shared housing: Space available for use by the assisted family and other occupants of the unit.

CONGREGATE HOUSING. Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing.

CONSOLIDATED ANNUAL CONTRIBUTIONS CONTRACT. (Consolidated ACC). See 24 CFR 982.151.

CONTIGUOUS MSA. In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

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

CONTRACT. (See Housing Assistance Payments Contract.)

COOPERATIVE. (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has

the right to reside in a particular apartment, and to participate in management of the housing. A special housing type: See 24 CFR 982.619.

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

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

DISABILITY ASSISTANCE EXPENSE. Anticipated costs for care attendants and auxiliary apparatus for disabled family members which enable a family member (including the disabled family member) to work.

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 PERSON/FAMILY. A person or family displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under federal disaster relief laws.

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

DRUG-RELATED CRIMINAL ACTIVITY. The illegal manufacture, sale, distribution, use, or the possession with intent to manufacture, sell distribute or use, of a controlled substance (as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802)).

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

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

ELECTRONIC FUNDS TRANSFERS is the transferring of funds from one bank savings or checking account to another account.

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 HOUSEHOLD. A family whose head or spouse or whose sole member is at least 62 years of age; may include two or more elderly persons living together or one or more such persons living with another person who is determined to be essential to his/her care and wellbeing.

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBILITY INCOME. May 10, 1984, regulations deleted Eligibility Income, per se, because Annual Income is now for eligibility determination to compare to income limits.

ELIGIBLE FAMILY (Family). A family is defined by the PHA in the administrative Plan, which is approved by HUD.

EXCEPTIONAL MEDICAL OR OTHER EXPENSES. Prior to the regulation change in 1982, this meant medical and/or unusual expenses as defined in Part 889 which exceeded 25% of the Annual Income. It is no longer used.

EXCEPTION RENT. In the pre-merger certificate program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. See FMR/Exception rent.

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

EXTREMELY LOW-INCOME FAMILY. A family whose annual income does not exceed 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30% of median income for an area if HUD finds such variations are necessary due to unusually high or low family incomes.

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) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the Federal Register.

FAMILY. "Family" includes but is not limited to:

- 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);
- An elderly family;
- A near-elderly family;
- A displaced family
- The remaining member of a tenant family; and
- 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" can be further defined by the PHA).

FAMILY OF VETERAN OR SERVICE PERSON. A family is a "family of veteran or service person" when:

- The veteran or service person (a) is either the head of household or is related to the head of the household; or (b) is deceased and was related to the head of the household, and was a family member at the time of death.
- The veteran or service person, unless deceased, is living with the family or is only temporarily absent unless s/he was (a) formerly the head of the household and is permanently absent because of hospitalization, separation, or desertion, or is divorced; provided, the family contains one or more persons for whose support s/he is legally responsible and the spouse has not remarried; or (b) not the head of the household but is permanently hospitalized; provided, that s/he was a family member at the time of hospitalization and there remain in the family at least two related persons.

FAMILY RENT TO OWNER. In the voucher program, the portion of the rent to owner paid by the family.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). The program established by a PHA to promote self-sufficiency of assisted families, including the provision of supportive services.

FAMILY SHARE. The amount calculated by subtracting the housing assistance payment from the gross rent.

FAMILY UNIT SIZE. The appropriate number of bedrooms for a family, as determined by the PHA under the PHA's subsidy standards.

FMR/EXCEPTION RENT. The fair market rent published by HUD headquarters. In the pre-merger certificate program the initial contract rent for a dwelling unit plus any utility allowance could not exceed the FMR/exception rent limit (for the dwelling unit or for the family unit size). In the voucher program the PHA adopts a payment standard schedule that is within 90% to 110% of the FMR for each bedroom size.

FOSTER CHILD CARE PAYMENT. Payment to eligible households by state, local, or private agencies appointed by the State, to administer payments for the care of foster children.

FULL-TIME STUDENT. A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended).

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

GROSS FAMILY CONTRIBUTION. Changed to Total Tenant Payment.

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

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).

HAP CONTRACT. (See Housing Assistance Payments contract.)

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

HOUSING 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. ("PHA" and "HA" mean the same thing.)

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. Act in which the U.S. Housing Act of 1937 (sometimes referred to as the Act) was recodified, and which added the Section 8 Programs.

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

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

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

HOUSING ASSISTANCE PLAN. (1) A Housing Assistance Plan submitted by a local government participating in the Community Development Block Program as part of the block grant application, in accordance with the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD. (2) A Housing Assistance Plan meeting the requirements of 570.303(c) submitted by a local government not participating in the Community Development Block Grant Program and approved by HUD.

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

HUD. The Department of Housing and Urban Development.

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

IMPUTED ASSET. Asset disposed of for less than Fair Market Value during two years preceding examination or reexamination.

IMPUTED INCOME. HUD passbook rate x total cash value of assets. Calculation used when assets exceed \$5,000.

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

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

INCOME FOR ELIGIBILITY. Annual Income.

INDIAN. Any person recognized as an Indian or Alaska native by an Indian tribe, the federal government, or any State.

INDIAN HOUSING AUTHORITY (IHA). A housing agency established either by exercise of the power of self-government of an Indian Tribe, independent of State law, or by operation of State law providing specifically for housing authorities for Indians.

INITIAL PHA. In portability, the term refers to both:

- A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and

- A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

INITIAL PAYMENT STANDARD. The payment standard at the beginning of the HAP contract term.

INITIAL RENT TO OWNER. The rent to owner at the beginning of the HAP contract term.

INTEREST REDUCTION SUBSIDIES. The monthly payments or discounts made by HUD to reduce the debt service payments and, hence, rents required on Section 236 and 221 (d)(3) BMIR projects. Includes monthly interest reduction payments made to mortgagees of Section 236 projects and front-end loan discounts paid on BMIR projects.

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

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

LARGE VERY LOW INCOME FAMILY. Prior to the 1982 regulations, this meant a very low income family which included six or more minors. This term is no longer used.

LEASE. A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA. In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA.

LEASE ADDENDUM. For pre-merger Certificate, pre-merger OFTO, and pre-merger Voucher tenancies, the lease language required by HUD in the lease between the tenant and the owner.

LIVE-IN AIDE. A person who resides with an elderly person or disabled person and who is determined to be essential to the care and well-being of the person, is not obligated for the support of the person, and would not be living in the unit except to provide necessary supportive services.

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

LOW-INCOME FAMILY. A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 80% for areas with unusually high or low income families.

MANUFACTURED HOME. A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. A special housing type. See 24 CFR 982.620 and 982.621.

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

MARKET RENT. The rent HUD authorizes the owner of FHA insured/subsidized multi-family housing to collect from families ineligible for assistance. For unsubsidized units in an FHA-insured multi-family project in which a portion of the total units receive project-based rental assistance, under the Rental Supplement or Section 202/Section 8 Programs, the Market Rate Rent is that rent approved by HUD and is the Contract Rent for a Section 8 Certificate holder. For BMIR units, Market Rent varies by whether the project is a rental or cooperative.

MEDICAL EXPENSES. Those total medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. (A deduction for elderly or disabled families only.) These allowances are given when calculating adjusted income for medical expenses in excess of 3% of Annual Income.

MERGER DATE. October 1, 1999.

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

MIXED FAMILY. A family with citizens and eligible immigration status and without citizens and eligible immigration status as defined in 24 CFR 5.504(b)(3)

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

MONTHLY INCOME. 1/12 of the Annual Income.

MUTUAL HOUSING. Included in the definition of COOPERATIVE.

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

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

NEGATIVE RENT. Now called Utility Reimbursement. A negative Tenant Rent results in a Utility Reimbursement Payment (URP).

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

NET FAMILY CONTRIBUTION. Former name for Tenant Rent.

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

OCCUPANCY STANDARDS. [Now referred to as Subsidy Standards] Standards established by a PHA to determine the appropriate number of bedrooms for families of different sizes and compositions.

OVER-FMR TENANCY (OFTO). In the pre-merger Certificate program: A tenancy for which the initial gross rent exceeds the FMR/exception rent limit.

OWNER. Any persons or entity having the legal right to lease or sublease a unit to a participant.

PARTICIPANT. A family that has been admitted to the PHA'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 PHA for the family (First day of initial lease term).

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

PERSON WITH DISABILITIES. A person who has a disability as defined in 42 U.S.C 423 or a developmental disability as defined in 42 U.S.C. 6001. Also includes a person who is determined, under HUD regulations, to have a physical or mental impairment that is expected to be of long-continued and indefinite duration, substantially impedes the ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions. For purposes of reasonable accommodation and program accessibility for persons with disabilities, means an "individual with handicaps" as defined in 24 CFR 8.3. Definition does not exclude persons who have AIDS or conditions arising from AIDS, but does not include a person whose disability is based solely on drug or alcohol dependence (for low-income housing eligibility purposes).

PHA PLAN. The annual plan and the 5-year plan as adopted by the PHA and approved by HUD in accordance with part 903 of this chapter.

PORTABILITY. Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial PHA.

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

PRIVATE SPACE. In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

PROCESSING ENTITY. Entity responsible for making eligibility determinations and for income reexaminations. In the Section 8 Program, the "processing entity" is the "responsible entity."

PROGRAM. The Section 8 tenant-based assistance program under 24 CFR Part 982.

PROGRAM RECEIPTS. HUD payments to the PHA under the consolidated ACC, and any other amounts received by the PHA in connection with the program.

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

PUBLIC HOUSING AGENCY (PHA). PHA includes any State, county, municipality or other governmental entity or public body which is authorized to administer the program (or an agency or instrumentality of such an entity), or any of the following:

- A consortia of housing agencies, each of which meets the qualifications in paragraph (1) of this definition, that HUD determines has the capacity and capability to efficiently administer the program (in which case, HUD may enter into a consolidated ACC with any legal entity authorized to act as the legal representative of the consortia members):
- Any other public or private non-profit entity that was administering a Section 8 tenant-based assistance program pursuant to a contract with the contract administrator of such program (HUD or a PHA) on October 21, 1998; or
- For any area outside the jurisdiction of a PHA that is administering a tenant-based program, or where HUD determines that such PHA is not administering the program effectively, a private non-profit entity or a governmental entity or public body that would otherwise lack jurisdiction to administer the program in such area.

REASONABLE RENT. A rent to owner that is not more than rent charged for comparable units in the private unassisted market, and not more than the rent charged for comparable unassisted units in the premises.

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

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

REGULAR TENANCY. In the pre-merger certificate program: A tenancy other than an over FMR tenancy.

REMAINING MEMBER OF TENANT FAMILY. Person left in assisted housing after other family members have left and become unassisted.

RENT TO OWNER. The total monthly rent payable to the owner under the lease for the unit. Rent to owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.

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

RESIDENCY PREFERENCE AREA. The specified area where families must reside to qualify for a residency preference.

RESIDENT ASSISTANT. A person who lives in an Independent Group Residence and provides on a daily basis some or all of the necessary services to elderly, handicapped, and disabled individuals receiving Section 8 housing assistance and who is essential to these individuals' care or wellbeing. A Resident Assistant shall not be related by blood, marriage or operation of law to individuals receiving Section 8 assistance nor contribute to a portion of his/her income or resources towards the expenses of these individuals.

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

SECRETARY. The Secretary of Housing and Urban Development.

SECTION 8. Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

SECURITY DEPOSIT. A dollar amount which can be applied to unpaid rent, damages or other amounts to the owner under the lease.

SERVICE PERSON. A person in the active military or naval service (including the active reserve) of the United States.

SHARED HOUSING. A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. A special housing type.

SINGLE PERSON. A person living alone or intending to live alone.

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

SPECIAL HOUSING TYPES. See Subpart M of 24 CFR 982, which states the special regulatory requirements for SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

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

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

SUBSIDIZED PROJECT. A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

- Below-market interest rates pursuant to Section 221(d)(3) and (5) or interest reduction payments pursuant to Section 236 of the National Housing Act; or
- Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or
- Direct loans pursuant to Section 202 of the Housing Act of 1959; or
- Payments under the Section 23 Housing Assistance Payments Program pursuant to Section 23 of the United States Housing Act of 1937 prior to amendment by the Housing and Community Development Act of 1974;
- Payments under the Section 8 Housing Assistance Payments Program pursuant to Section 8 of the United States Housing Act after amendment by the Housing and Community Development Act unless the project is owned by a Public Housing Agency;
- A Public Housing Project.

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

SUBSTANDARD UNIT. Substandard housing is defined by HUD for use as a federal preference.

SUSPENSION/TOLLING. Stopping the clock on the term of a family's voucher, for such period as determined by the PHA, from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request. If the PHA decides to allow extensions, the PHA administrative plan must describe how the PHA determines whether to grant extensions, and how the PHA

determines the length of any **TENANCY ADDENDUM**. For the Housing Choice Voucher Program, the lease language required by HUD in the lease between the tenant and the owner.

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

TENANT RENT. The amount payable monthly by the family as rent to the unit owner (Section 8 owner or PHA in public housing). For a tenancy in the pre-merger certificate program, tenant rent equals the total tenant payment minus any utility allowance.

TOTAL TENANT PAYMENT (TTP). The total amount the HUD rent formula requires the tenant to pay toward gross rent and utility allowance.

UNIT. Residential space for the private use of a family.

UNUSUAL EXPENSES. Prior to the change in the 1982 regulations, this was the term applied to the amounts paid by the family for the care of minors under 13 years of age or for the care of disabled or handicapped family household members, but only where such care was necessary to enable a family member to be gainfully employed.

UNRESTRICTED NET ASSETS (UNA) (Formerly Administrative Fee Reserve and/or Operating reserve). Account established by PHA from excess administrative fee income. The unrestricted net assets must be used for housing purposes.

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

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

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

UTILITY REIMBURSEMENT PAYMENT. In the pre-merger certificate program, 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.

VACANCY LOSS PAYMENTS. (For pre-merger certificate contracts effective prior to 10/2/95) When a family vacates its unit in violation of its lease, the owner is eligible for 80% of the Contract Rent for a vacancy period of up to one additional month, (beyond the month in which the vacancy occurred) if s/he notifies the PHA as soon as s/he

learns of the vacancy, makes an effort to advertise the unit, and does not reject any eligible applicant except for good cause.

VERY LARGE LOWER-INCOME FAMILY. Prior to the change in the 1982 regulations this was described as a lower-income family which included eight or more minors. This term is no longer used.

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

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

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

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

VOUCHER HOLDER. A family holding a voucher with an unexpired term (search time).

VOUCHER PROGRAM. The Housing Choice Voucher program.

WAITING LIST. A list of families organized according to HUD regulations and PHA policy who are waiting for subsidy to become available.

WAITING LIST ADMISSION. An admission from the PHA waiting list.

WELFARE ASSISTANCE. Income assistance from Federal or State welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families. FOR THE FSS PROGRAM (984.103(b)), "welfare assistance" includes only cash maintenance payments from Federal or State programs designed to meet a family's ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or Social Security.

WELFARE RENT. This concept is used ONLY for pre-merger Certificate tenants who receive welfare assistance on an "AS-PAID" basis. It is not used for the Housing Voucher Program.

- If the agency does NOT apply a ratable reduction, this is the maximum a public assistance agency COULD give a family for shelter and utilities, NOT the amount the family is receiving at the time the certification or recertification is being processed.
- If the agency applies a ratable reduction, welfare rent is a percentage of the maximum the agency could allow.

WELFARE-TO-WORK (WTW) FAMILIES. Families assisted by a PHA with voucher funding awarded to the PHA under the HUD welfare-to-work voucher program (including any renewal of such WTW funding for the same purpose).

C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

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

CITIZEN. A citizen or national of the United States.

EVIDENCE OF CITIZENSHIP OR ELIGIBLE STATUS. The documents which must be submitted to evidence citizenship or eligible immigration status.

HEAD OF HOUSEHOLD. The adult member of the family who is the head of the household for purpose of determining income eligibility and rent.

HUD. Department of Housing and Urban Development.

INS. The U.S. Immigration and Naturalization Service.

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

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.

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

PHA. A housing authority who operates Public Housing.

RESPONSIBLE ENTITY. The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status (the PHA).

SECTION 214. Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a).

SPOUSE. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

ADDENDUM A

HOUSING CHOICE VOUCHER PROGRAM

HOMEOWNERSHIP PLAN



RESOLUTION NO. _____
Board Approved: March 29, 2017

HOUSING CHOICE VOUCHER HOMEOWNERSHIP PROGRAM

[24 CFR 982.625 through 982.643]

A. INTRODUCTION

MHA's Housing Choice Voucher Homeownership Program (HCVHP) is designed to expand homeownership opportunities for voucher participants. This program will assist Housing Choice Voucher (HCV) participants to transition from rental assistance to homeownership using their voucher. Interested participants in the Homeownership Program must submit an application for the program and the MHA will determine eligibility in accordance with the MHA Homeownership policy and ability of the family to qualify for a home mortgage. The program will be limited to a maximum of 50 housing vouchers. There is no additional funding or separate funding for a Homeownership Program. In general, the funding for this program comes from the PHA's Annual Contributions Contract (ACC) executed with HUD for the HCVP.

B. FAMILY REQUIREMENTS

1. Family must be a current participant in the HCV program for a minimum of one year.
2. The family does not owe MHA or any other housing authority money.
3. Family must complete an application for participation in the Homeownership Program.
4. Family must meet program eligibility requirements:
 - (1) Have an annual minimum household income of \$14,500, and \$8,820 for disabled families; {If family does not meet the MHA minimum-income standard but can demonstrate it has been pre-qualified or pre-approved for financing that meets MHA requirements and that financing amount is sufficient to purchase a home that meets HQS in the MHA jurisdiction, family will be processed for pre-counseling and subsequent eligibility determination.} Welfare assistance may be included to meet the minimum household income requirement for elderly/disabled families only.
 - (2) The head of household or co-head of household must be currently employed on a fulltime basis (not less than an average of 30 hour per week as defined by HUD) and have been continuously so employed during the year before commencement of homeownership assistance for the family. Continuously employed includes employment with no more

than a 60-day break between employment periods. This requirement does not apply to elderly/disabled families.

- (3) Family must be a first-time homebuyer as defined by HUD. See section C of this addendum.
 - (4) Family may not have defaulted under any previous homeownership loan.
5. Family must complete a pre-assistance and housing counseling program approved by MHA.
 6. Family must provide a minimum equity in the home by providing a minimum down payment of 3% of the sales price; 1% of the 3% down payment must come from the personal resources of the family.
 7. MHA will make Housing Assistance Payments (HAP) in the manner prescribed by the lender, either directly to family, directly to lender, or deposited into a financial institution where payments will be drafted by lender. If required by the lender, the family must agree to set up a bank account solely for the purpose of depositing the assistance check and the tenant payment from the family. Family must deposit their portion of the mortgage payment in the account on the 1st of each month. The Mortgager must agree to debit the account each month for the mortgage payment. Date of debit to be established by family's mortgager. MHA will deposit their portion of the mortgage payment in the account prior to the 5th of each month.
 8. Family is required to complete all requirements for annual recertifications and submit all changes in income to MHA within 30 days of the change.
 9. The family must locate a unit within the required maximum period of 120 days. The sale must be within the maximum period of 180 days. The family will be permitted to remain on the HCV program, provided they meet all the eligibility requirements for continued assistance under that program if the homeownership voucher has not been utilized.
 10. MHA reserves the right to deny participation in the Homeownership Program to any family due to lack of funds provided by HUD to cover per unit cost of mortgage payment.
 11. Family's portion of the mortgage payment (principal, interest, insurance and taxes) may not be greater than 40% of family's net adjusted household income.

C. FIRST-TIME HOMEBUYER

An applicant must be a "first-time homeowner."

To qualify as a "first-time homeowner," the assisted family may not include any person with a "present ownership interest" in a residence during the three years before the commencement of homeownership assistance for the family. Cooperative membership shares acquired prior to the commencement of homeownership assistance are exempt from this rule. 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, is considered a "first-time homeowner."

Other conditions also apply to "first-time homeowner" definition:

No family member may have a present ownership interest in a second residence while receiving homeownership assistance.

If MHA determines that a disabled family requires homeownership assistance as a reasonable accommodation, the first-time homeowner requirement does not apply.

D. PRE-ASSISTANCE/HOMEOWNERSHIP COUNSELING

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling programs required by MHA (pre-assistance counseling).

Topics for MHA required pre-assistance counseling program include, but are not limited to:

1. Credit counseling;
2. How to find a home, including information about homeownership opportunities, schools, and transportation in the City of Little Rock;
3. Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
4. Information on fair housing, including fair housing lending and local fair housing enforcement agencies;
5. How to negotiate the purchase of a home;
6. Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) (RESPA), State and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions;
7. How to obtain homeownership financing and loan pre-approvals, including

a description of types of financing that may be available, and the pros and cons of different types of financing;

8. Home maintenance (including care of the grounds);
9. Budgeting and money management; and
10. Other information MHA or the counseling agency deems appropriate.

E. HOMEOWNERSHIP VOUCHER ISSUANCE

1. Voucher subsidy size is consistent with policy under the Administrative Plan for the HCV Program.
2. Approved applicants will be given a "homeownership" voucher, which will permit them to locate a home they wish to purchase. The family will be given 120 days to locate a unit.
3. Voucher may be extended an additional 60 days for completion of the sale.
4. Voucher may not be extended beyond 180 days from date of issuance.
5. In the event of an increase in household income during the period between the issuance of the "homeownership" voucher and its expiration date, the adjustment will be made as an interim after the change of unit or expiration date of voucher. In the event of a decrease in household income during the period between issuance of the voucher and its expiration date, the adjustment will be made the month following the date it was reported.

F. SELLER REQUIREMENTS

1. MHA may not commence homeownership assistance for occupancy of a home if MHA has been informed (by HUD or otherwise) that the seller of the home is debarred, suspended, or subject to a limited denial of participation.
2. Lease-Purchase agreements are not acceptable.
3. MHA has the right to accept or reject any property owner it deems inappropriate for the homeownership program to include, but not limited to, those identified under #1; and those who have been consistently in noncompliance as a property owner under the Tenant Based Assistance program.

G. PROPERTY REQUIREMENTS

Initial requirements applicable to the property unit include the following determinations by MHA:

1. The property unit is an eligible unit under HUD regulation (24CFR 982.352), with any exceptions permitted by HUD.
2. MHA has elected to limit the Homeownership Program to only single-family dwelling units.
3. Property may include properties owned by MHA or under MHA Homeownership program.
4. Family may enter into contract of sale for units not yet under construction at the time the family enters into the contract for sale. MHA must not commence homeownership assistance until appropriate environmental reviews are completed and construction is completed.
5. Family must have the right to refuse a property under construction if it does not meet the quality and finished home requirements expected by the purchaser.
6. The unit must be inspected by a MHA inspector AND by an independent inspector designated by the family under HUD regulation. (See 982.631)
7. The unit must satisfy the minimum Housing Quality Standard (HQS) requirement under HUD regulations (See 982.401 and 982.632) and City Code requirements.

H. INSPECTIONS

1. MHA may not commence homeownership assistance for a family until the MHA or other authorized agency has inspected the unit and has determined that the unit passes HQS. The HQS inspection is to occur a minimum of two weeks prior to proposed closing. Any failed or incomplete items must be cured, the property re-inspected with a passed status prior to closing.
2. The unit must also be inspected by an independent professional inspector, selected and paid by the family. This inspection should occur shortly after the signing of a contract of sale.
3. 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. The independent inspector must be qualified to report on property conditions, including major building systems and components.

4. The independent inspector shall not be a MHA employee or contractor, other person under control of the MHA, or one selected by the MHA. The independent inspector may not have a relationship with the seller.
5. The independent inspector must provide a copy of the inspection report both to the family and to the MHA. The MHA may not commence homeownership assistance for the family until the MHA has reviewed the inspection report of the independent inspector. Even if the unit otherwise complies with the HQS (and may qualify for assistance under the PHA's tenant-based rental voucher program), the MHA shall have discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report.

I. CONTRACT OF SALE

1. Before commencement of homeownership assistance, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the MHA a copy of the contract of sale (see also HUD regulation 982.627(a)(7)).
2. The contract of sale must:
 - (1) Specify the price and other terms of sale by the seller to the purchaser
 - (2) Provide that purchaser has the right of refusal for any home purchased under construction once property has been built.
 - (3) Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser. Inspection fee is to be paid by purchaser. Independent inspector should not have a relationship with the seller.
 - (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; and,
 - (6) Contain a certification from the seller that the seller has not been debarred, suspended, or subjected to a

limited denial of participation under this section.

J. HOME FINANCING

1. MHA prefers financing for the purchase of the home is by a qualified financial institution in the mortgage-financing business; however, seller financing may be approved on a case-by-case basis.
2. Balloon payment mortgages are not acceptable.
3. Down payment required on the home will be a minimum of 3% of the approved sale price (with 1% coming from personal resources).
4. The family must establish a minimum equity in the home by providing a minimum of 1% of the sales price from their personal resources toward the down payment.
5. All MHA mortgages are subject to MHA mortgage insurance requirements.
6. Equity in the home may not be utilized as security for any "equity-secured" loan without pre-approval by MHA.
7. MHA will review lender qualifications and loan terms prior to authorizing homeownership assistance. Homeownership assistance will be denied by MHA if MHA determines proposed financing, refinancing, or other debt to be unaffordable or if lender or loan terms do not meet MHA qualifications. In making this determination, MHA will consider other family expenses such as childcare, unreimbursed medical expenses, homeownership expenses, and other such family expenses it deems appropriate.

K. FAMILY OBLIGATIONS

1. The family must comply with the following obligations listed in the HCV Administrative Plan in addition to the following:
 - (1) Compliance with mortgage - The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of such debt).
 - (2) The family must not transfer the unit.
 - (3) The family may grant a mortgage on the home for debt incurred to finance the purchase of the home or any refinancing of such debt.

- (4) Upon death of a family member who holds, in whole or in part, title to the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members in accordance with HUD regulations.
- (5) The family must notify the MHA, by written notice, a minimum of 60 days before the family moves out of the home.
- (6) Notice of mortgage default - The family must notify the MHA if the family defaults on a mortgage securing any debt incurred to purchase the home.
- (7) Prohibition on ownership interest on second residence - During the time the family receives homeownership assistance under the MHA homeownership program, no family member may have any ownership interest in any other residential property.

L. MAXIMUM TERM OF HOMEOWNER ASSISTANCE

Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:

- 1) Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
- 2) Ten years, in all other cases.

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).

If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

Upon the death of a family member who holds, in whole or in part, title to the home, homeownership assistance may continue, pending settlement of the decedent's estate. The home must be solely occupied by remaining family members in accordance with 24 CFR 982.551(h).

For a nonelderly/nondisabled family, the total homeownership assistance received by a family, whether on different homes or through different public housing agencies, cannot exceed the eligible term of assistance based on the of the initial mortgage loan. If the family has received such assistance for different homes, or from different MHA, the total of such assistance terms is subject to the maximum term described in this part.

M. HOMEOWNERSHIP EXPENSES

1. Determination of Homeownership Expenses. In accordance with HUD requirements, the MHA has adopted the following policy for determining the amount of homeownership expenses to be allowed:
 - (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 taxes and public assessments on the home;
 - (3) Home insurance;
 - (4) MHA allowance for maintenance and major repair and replacement expenses in the amount of \$50.00 monthly.
 - (5) MHA utility allowance for the bedroom size of the home in accordance with the MHA Administrative Plan; 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 finance costs needed to make the home accessible for such person, provided MHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
2. Payment to Lender or Family: The MHA will make homeownership assistance payments directly to the lender in one of the following manners as required by the lender.
 - (1) By depositing the said amount in a designated bank account set up for the sole purpose of accommodating the mortgage payment. Purchaser deposits the tenant payment to said account. The mortgager will then debit the account each month for the mortgage payment.
 - (2) Make payments directly to the family.

(3) Make payments directly to the lender.

3. Monthly Mortgage Payment Verification Requirement

Homeownership participants receiving monthly HAP assistance must verify quarterly mortgage payments were submitted to the mortgage servicer.

- (1) A mortgage payment statement from the mortgage servicer must be submitted each year by the family as specified by MHA within the following months: March, June, September and December.
- (2) Mortgage statement documentation must be an official document provided by the mortgage servicer.

Mortgage payments paid late (after the 15th of the month) – Documentation of three mortgage payments paid late within a 12-month period will result in termination from the HCV program.

Mortgage payment not paid – Documentation of one mortgage payment not paid (missed payment) by the family will result in termination from the HCV program.

N. HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES

The family is responsible for all monthly homeownership expenses not reimbursed by the housing assistance payment.

MHA housing assistance payments will be paid by one of the following methods:

- 1) Payments are deposited into an account set up for the participant's mortgage payments. The lender will have access to collect the payment once a month.
- 2) Payments are paid directly to the lender.

O. DEFAULT

If the family defaults on the home mortgage loan, the participant will not be able to use the homeownership voucher for rental housing but may reapply for the Section 8 waiting list, if the waiting list is open.

ADDENDUM B

STUDENT ELIGIBILITY ADMISSION CRITERIA

On December 30, 2005, the Department of Housing and Urban Development published a final rule (FR-5036-F-01), entitled, "Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937," implementing Section 327 of the Appropriations Act of Fiscal Year (FY) 2006. The final rule became effective January 30, 2006. The law and final rule require that if a student is enrolled at an institution of higher education, is under the age of 24, is not a veteran, is unmarried and does not have a dependent child, is individually ineligible for Housing Choice Voucher assistance, or the student's parents are, individually or jointly, ineligible for assistance, no Housing Choice Voucher assistance can be provided to the student.

This rule does not affect students residing in a Housing Choice Voucher assisted unit with their parents or reside with parents who are applying to receive Housing Choice Voucher assistance. It applies to students applying for or receiving assistance separately from their parents.

DEFINITIONS (IN THE CONTEXT OF THE STUDENT ELIGIBILITY RULE)

- Dependent Child- Dependent child of an enrolled student. 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 a person, who is under 18 years of age, or a person with a disability, or is a fulltime student.
- Student- Any student enrolled either full-time or part-time at an institution of higher education. Part-time students are not exempted.
- Parents- Biological parents, adoptive parents, or guardians.
- Veteran- a person who served in the active military, naval, or air service, and who was discharged or released there from under conditions other than dishonorable.

STUDENT ELIGIBILITY REQUIREMENT

No assistance shall be provided to any individual who:

- Is enrolled as a student at an institution of higher education;
- Is under 24 years of age;
- Is not a veteran of the United States military;
- Is unmarried;
- Does not have a dependent; and
- Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance under Section 8 of the 1937 Act.

A student under the age of 24 who is not a veteran, is unmarried, and does not have a dependent child, may be eligible for assistance if the student and the student's parents (the parents individually or jointly) are income eligible. If it is determined that the parents are not income eligible, the student is ineligible to receive assistance.

ADDENDUM C

Violence Against Women Act (VAWA) *(Section 8(o)(7)(C) (D)(i)(ii) of the U.S. Housing Act of 1937)*

An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease or other “good cause” for termination of the assistance, tenancy, or occupancy rights of a victim of abuse. VAWA refers to women in its title, the statute makes clear that the protections are for all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, sexual orientation, or age.

Criminal activity directly relating to abuse, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant’s family is the victim or threatened victim of that abuse.

The MHA may terminate assistance to or an owner or manager may “bifurcate” a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others. This action may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the housing choice voucher program.

There is no limitation on the ability of the PHA to terminate assistance for other good cause unrelated to the incident or incidents of domestic violence, dating violence or stalking, other than the victim may not be subject to a more demanding standard than non-victims.

Victims certifying as a victim under VAWA, will be provided a voucher to relocate. The Section 8 tenant-based regulations at 24 CFR 982.314 provide that a family or member of a family may move with continued assistance if the move is needed to protect the health and safety of the family or family member as a result of domestic violence, dating, violence, sexual assault, or stalking, or any family member has been the victim of a sexual assault that occurred on the premises during the 90- day period preceding the family’s request to move. This regulation provides that a PHA may not terminate assistance if a family moves with or without prior notification to the PHA because the family or member of the family reasonably believed they were in imminent threat from further violence (however, any family member that has been the victim of a sexual assault that occurred on the premises during the 90-day period preceding the family’s move or request to move, is not required to believe that he or she was threatened with imminent harm from further

violence if he or she remained in the unit. Approved certification form (§ 5.2005(a)(1)(ii)): VAWA 2013 provides that an approvable certification form is one that: (1) States that an applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking; (2) states that the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for VAWA protection meets the requirements under VAWA; and (3) includes the name of the individual who committed the domestic violence, dating violence, sexual assault, or stalking, if the name is known and safe to provide. (See 42 U.S.C. 14043e–11(c)(3).)

Attachment “3”

2. Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA Operating, Capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant- based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources.

Financial Resources: Planned Sources and Uses		
Sources	Planned \$	Planned Uses
1. Federal Grants (FY 2011 grants)		
a) Public Housing Operating Fund	\$2.8 M (estimate)	Operations
b) Public Housing Capital Fund	\$1.5 M (estimate)	Capital Improvements
c) RHF	\$200 K (estimate)	Capital Improvements
d) Annual Contributions for Section 8 Tenant-Based Assistance	\$11,000,000	Operations / Administration
Other Federal Grants (list below)		
2. Prior Year Federal Grants (unobligated funds only) (list below)		
2 nd Increment RHF	\$2.8 M	Capital Improvements
2016 CFP	\$1.1 M	Capital Improvements
3. Public Housing Dwelling Rent Income	\$1.6 M	Operations
4. Other income (list below)		
Rent for air Space	TBD	Operations
Program Income	TBD	Various Housing Related Initiatives
4. Non-federal sources (list below)		
Disposition Proceeds	TBD	Operations or Capital Improvements

Attachment “4”



Approved by Board Resolution #6556

April 2014

PEST CONTROL POLICY

PEST CONTROL POLICY

The Metropolitan Housing Alliance (MHA) recognizes the importance of pest and vermin control in providing a living environment of adequate health and safety for its residents. To achieve this control the authority has adopted a pest control policy that will be implemented by the Asset Management Team in partnership with the Director of Housing Choice Voucher Program when applicable.

PEST CONTROL AND EXTERMINATION

The MHA will make all efforts to provide a healthy and pest-free environment for its residents. The Authority will determine which, if any, pests infest its properties and will then provide the best possible treatment for the eradication of those pests.

The Authority has determined that the most cost-effective way of delivering the treatments is the use of a licensed private contractor.

The extermination plan will requires that the Contractor visit each site once per month on a schedule determined by the Director of Asset Management or his/her designee. Director of Asset Management or his/her designee shall make sure that this schedule provides adequate treatment to address any existing infestation. Special attention shall be paid to cockroaches and bedbugs. The schedule includes frequency and locations of treatment. Different schedules may be required for each property. Additional treatments may be required at times other than the scheduled visits. The individual Site Managers will inform the extermination contractor of the specific additional needs and arrange for proper treatment.

Resident cooperation with the extermination plan is essential. All apartments in a building must be treated for the plan to be effective. Residents will be given information about the extermination program at the time of move-in. All residents will be informed at least one week and again twenty-four hours before treatment. The notification will be in writing and will include instructions that describe how to prepare the unit for treatment. If necessary, the instructions shall be bi-lingual to properly notify the entire resident population.

Management will work closely with residents that are physically or emotionally unable to comply with the necessary preparation to ensure effective treatment. Failure to prepare or allow access constitutes a health and safety violation for the residents of the development. If able residents do not comply by adequately preparing for extermination, they will be fined for noncompliance. The charge for failure to allow access to exterminators or failure to prepare shall be \$75.00. If noncompliance continues beyond one instance, lease enforcement proceedings will commence and continue until compliance is achieved.

METROPOLITAN HOUSING ALLIANCE

BED BUG POLICY

Bed bugs are a growing national problem, and as a result, this policy has been created for both the Public Housing program and the Housing Choice Voucher program. The purpose of this policy is to set forth the roles and responsibilities of all parties (MHA, Tenant, and Landlord) in minimizing the potential for bed bugs. The policy will also provide guidance in cases where bed bugs are present in order to eliminate them as quickly as possible.

Bed bugs are difficult to contain without the proper treatment. Therefore it is imperative that all parties (MHA, Tenant, and Landlord) work simultaneously toward the common goal of extermination and elimination. Left untreated bed bugs can spread throughout a residence affecting current and future tenants.

Housing Choice Voucher Program

Landlord Roles and Responsibilities:

The Housing Assistance Payment (HAP) contract requires the landlord to maintain the contract unit and its premises in accordance with Housing Quality Standards (HQS). If bed bugs are present, it is the responsibility of the landlord, as stated in the HQS (CFR 982.401), to ensure that the dwelling unit and its equipment be in sanitary condition and free of vermin and rodent infestation. In order to comply with the HQS, if the presence of bed bugs is suspected, the landlord must notify MHA immediately and it is strongly recommended that the landlord contact an extermination professional for an immediate inspection. If the landlord chooses to perform their own initial inspection, MHA has created a "Landlord Inspection Checklist" that may assist in the assessment of potential problems. If treatment is deemed necessary, a copy of the contract the landlord entered into with the extermination professional (including all treatment performed) must be provided to MHA by the landlord within 48 hours of initial determination that treatment is required. In addition, the landlord must complete the "Landlord Certification Statement" document and send to MHA within 72 hours of the initial determination that treatment is required.

Failure to comply with the above requirements is a direct violation of the HAP contract and may result in abatement, suspension or termination of housing assistance payments, termination of the HAP contract, and suspension of eligibility to participate in the Housing Choice Voucher program.

Tenant Roles and Responsibilities:

The HAP contract requires the tenant to keep the unit and its premises free from damage. Therefore, if the presence of bed bugs is suspected, it is the tenant's responsibility to notify the landlord and MHA immediately in order to minimize any potential damage to the unit. In addition, it is the responsibility of the tenant to work cooperatively with the landlord and/or extermination professional to ensure the successful elimination of bed bugs. Tenant non-compliance may result in the loss of their Housing Choice Voucher.

If the tenant notifies the landlord of the presence of bed bugs and the landlord fails to take action within a reasonable period of time, the tenant should notify MHA. MHA will assist the tenant in relocation if it is deemed necessary and appropriate. Prior to relocation, MHA will notify new landlord of tenant's prior exposure to bed bugs. In addition, the tenant must complete all items on the "Relocation Task List" document.

MHA Roles and Responsibilities:

MHA will ensure the landlord maintains the unit within HQS guidelines and provide guidance on the resolution of any potential bed bug problems. MHA will assist in tenant relocation, including the scheduling of moves, if it has been determined relocation is necessary and appropriate. When relocation is necessary, MHA will ensure the tenant completes the “Relocation Task List” prior to relocation in order to minimize the transfer of bed bugs to the new unit. MHA will also require all program participants and landlords to disclose at intake, recertification, and inspection all exposure to bed bugs within the last twelve month period.

Public Housing Program

MHA Roles and Responsibilities:

Upon notification from the tenant, MHA will perform an initial inspection of the tenant’s residence using the “Central Maintenance Tracking Sheet.” If it is determined that bed bugs are present, MHA will provide the tenant with the “MHA & Tenant Roles and Responsibilities” document. The above document will be explained to the tenant to ensure understanding and compliance prior to treatment. In addition, MHA will secure the tenant’s signature indicating understanding of the document. Upon successful completion by the tenant of their roles and responsibilities MHA will professionally treat the residence and perform follow-up to ensure treatment was successful.

In order to educate tenants and minimize potential for the presence of bed bugs, MHA has created a “Prevention Tips” document.

Tenant Roles and Responsibilities:

HUD regulations require the tenant’s cooperation in order to successfully eliminate the presence of bed bugs. Therefore, it is the tenant’s responsibility to call in a work order as soon as the presence of bed bugs is suspected. This will allow MHA to address the potential infestation at its onset and before it affects other tenants. In addition, the tenant must be onsite when the initial inspection is conducted. If it is determined by MHA that bed bugs are present, the tenant must complete all items listed on the “MHA & Tenant Roles and Responsibilities” prior to treatment and as soon as possible. This will help to minimize the severity of bed bug presence and resolve the problem quickly. A tenant may be deemed in violation of sections IX, cc. in the lease agreement if they fail to fully cooperate and comply with their roles and responsibilities.

Policy Attachments

Housing Choice Voucher program:

- Attachment A. Landlord Inspection Checklist
- Attachment B. Relocation Task List
- Attachment C. Landlord Letter
- Attachment D. Exterminator Selection Tips
- Attachment E. Landlord Certification Statement

Public Housing program:

- Attachment F. Central Maintenance Tracking Sheet
- Attachment G. MHA & Tenant Roles and Responsibilities
- Attachment H. Prevention Tips

Attachment A
Metropolitan Housing
Alliance
100 S. Arch St.
Little Rock, AR
72201

Bed Bug Management Plan
Landlord Inspection Checklist

Tenant Information

Name: _____
Address: _____

Phone: _____
Alt. Phone: _____
Email: _____

Inspection List

Check bed including mattress, box spring, and headboard for blood spots and fecal matter. Strip back the covers, stand up the mattress, remove the box spring and flip it over paying close attention to all seams.

Inspect furnishings close to the bed for the presence of bed bugs. Pull out dresser drawers and check inside drawers and crevices. Look under televisions, stereos, and other equipment, behind pictures, in the crevice behind the baseboard, and in stacks of clothing.

Check drapes, wall decorations, and cracks in the ceiling-wall junction for presence of bed bugs.

Check other areas of the residence for the presence of bed bugs paying specific attention to furniture, seams, and crevices.

Discuss and inspect (where appropriate) bed bug bites with tenant.

Bed Bug presence noted: Yes No

This document is provided as a reference only. If the presence of bed bugs is suspected and you are not comfortable inspecting the unit thoroughly, you should consider contacting an extermination professional.

Attachment B
**Metropolitan Housing
Alliance**

100 S. Arch St.
Little Rock, AR 72201

**Bed Bug Management Plan
Relocation Task List**

Bed bugs are difficult to contain without the proper treatment. Therefore if a tenant relocates and the proper treatment has not taken place, the bed bugs will move with the tenant as bed bugs can be carried in furniture, bedding, clothing, etc. If it has been determined that you must relocate to a new unit, certain steps must be followed to ensure that bed bugs are not transferred to the new residence. To prevent further infestation, the Relocation Task List below **MUST** be completed in preparation for relocation.

RELOCATION TASK LIST (initial each item)

_____ Remove all sheets, blankets, mattress covers, pillowcases, etc. from beds and wash in hot water (120+ degrees recommended) and dry in clothes dryer on the highest heat setting for at least 30 minutes. Fold them and place them in plastic garbage bags, seal bags tightly. Do not put them back on the bed until move is complete.

_____ Wash all clothing, toys, towels, and other linens in hot water (120+ degrees recommended) and dry in clothes dryer on the highest heat setting for at least 30 minutes. Place clean items inside airtight plastic storage bins or plastic garbage bags that are sealed tightly and store until relocated.

_____ Vacuum (using disposable vacuum cleaner bags) all furniture, dresser drawers, night stand drawers, mattresses, and box springs. Place disposable vacuum cleaner bag inside plastic garbage bag, seal plastic garbage bag tightly, and discard in outdoor trash receptacle immediately.

_____ Purchase and place special bed bug mattress and box spring encasements around all mattresses and box springs. Bed bug mattress and box spring encasements are an effective bed bug killer when combined with treatment and must remain on all mattresses and box springs for at least one year. Bed bug encasements can be purchased locally at Bed, Bath, and Beyond for approximately \$10.00 – \$20.00 depending on size needed. The tenant is solely responsible for the purchase of this item.

_____ Discard or have all infested furniture professionally treated by a licensed exterminator. If tenant chooses to keep furniture, proof of treatment must be provided to MHA prior to relocation. MHA will not relocate tenant to a new unit with infested furniture.

TENANT STATEMENT OF CERTIFICATION

I, _____, certify that I have read and understand the information above and commit to performing the Relocation Task List. I also understand that if I do not complete the above listed items, there is the potential for the bed bugs to be carried to the new residence and MHA will not authorize a transfer to a new unit.

Tenant Signature _____ Date _____

Re: Potential Bed Bug Infestation

Dear Landlord:

It is the goal of the Metropolitan Housing Alliance to promote and provide safe, quality housing to our program participants. Recently, bed bugs have become a topic of national importance. Most recently, the Environmental Protection Agency held a National Bed Bug Summit to discuss ways to prevent the resurgence of bed bugs. While the Metropolitan Housing Alliance has not encountered bed bugs in the Public Housing program, we have been made aware of the presence of bed bugs in a few of the privately owned residences assisted under the Housing Choice Voucher program. In order to protect your tenant, rental assistance income, and asset, we strongly recommend that you take all tenant concerns regarding bed bugs seriously.

Upon notification from the tenant of the potential presence of bed bugs, it is the landlord's responsibility to have a thorough inspection conducted by a qualified party. MHA recommends a licensed, experienced, professional exterminator. Please refer to the back of this letter for information that may assist you in the selection of an exterminator.

Note that it is the responsibility of the tenant to work cooperatively with the landlord and/or extermination professional to ensure the successful elimination of bed bugs. It is imperative that all parties (Tenant and Landlord) work together toward a common goal, extermination and elimination. Left untreated, bed bugs can spread throughout a residence, potentially affecting current and future tenants.

The Housing Assistance Payment (HAP) contract requires the landlord to maintain the contract unit and premises in accordance with Housing Quality Standards (HQS). If bed bugs are present, it is the responsibility of the landlord, as stated in the HQS (CFR 982.401), to ensure that the dwelling unit and its equipment be in sanitary condition and free of vermin and rodent infestation.

Failure to comply constitutes a direct violation of the HAP contract and may result in abatement, suspension of housing assistance payments, termination of the HAP contract, and/or suspension of eligibility of the affected unit to participate in the Housing Choice Voucher program (if the unit remains untreated).

Sincerely,

Carl Smith
Director of Asset Management

Attachment D
Metropolitan Housing
Alliance
100 S.
Arch St.
Little Rock,
AR 72201

Bed Bug Management Plan Exterminator Selection Tips

The information listed below is from the New York Times article “Sleeping with the Enemy (Bed Bugs).” Please note that the information listed is provided as a reference only. If the presence of bed bugs is suspected, immediate action should be taken.

- Most successful treatment efforts include a combination of a thorough cleaning and sorting, along with repeated professional bed bug treatment applications.
- Many pest control companies will perform a visual inspection at no charge in hopes that if you have bed bugs, you’ll hire them to do the treatment.
- According to the article, you should be wary of pest control companies that emphasize their bed bug expertise.
- Find an established pest control company that has been in business at least five years.
- The article states that exterminators may charge \$250 to \$900 a room to get rid of bed bugs, depending on the level of infestation and the types of treatments used. Prices in our local area may vary.
- Be sure the exterminator makes at least one follow-up visit. According to the article it’s near impossible to kill all bed bugs in a given area with one treatment.
- Ask if follow-up treatments are included in the price quoted to you.
- Check to see that the company and technician you hire are licensed in your state.
- Check the Better Business Bureau for any complaints filed against the exterminators you are considering.

Metropolitan Housing Alliance

100 S. Arch St.
Little Rock, AR 72201

Bed Bug Management Plan

Landlord Certification Statement

It is the goal of the Metropolitan Housing Alliance to promote and provide safe, quality housing to our program participants. If bed bugs are present, it is the responsibility of the landlord, as stated in the HQS (CFR 982.401), to ensure that the dwelling unit and its equipment be in sanitary condition and free of vermin and rodent infestation. It is the responsibility of the tenant to work cooperatively with the landlord and/or extermination professional to ensure the successful elimination of bed bugs. It is imperative that all parties (Tenant, Landlord, and Extermination Professional) work together toward a common goal, extermination and elimination.

To assist MHA in its goal of providing safe, quality housing, MHA requests the following information be completed by the landlord upon completion of treatment (within 72 hours of initial determination that treatment is necessary):

- 1) Date unit was treated _____.
- 2) Type of treatment provided (methods, products used, areas treated):

- 3) Did tenant complete required (should be detailed in landlord/tenant lease agreement) pre-treatment activities? For example:
 - Furniture moved to center of room being treated? YES NO N/A
 - All items removed from floors and closets? YES NO N/A
 - Mattresses encased in bed bug mattress encasements? YES NO N/A
 - All pictures removed from walls? YES NO N/A
 - All areas being treated vacuumed including furniture, dresser drawers, night stands, mattresses, and box springs? YES NO N/A
 - All cardboard hangers, boxes, etc. discarded? YES NO N/A
 - All clothing, linens, towels, etc. washed in hot water (+120 degrees), dried on highest heat setting for at least 30 minutes, and stored in tightly sealed plastic garbage bags? YES NO N/A
- 4) Please list any additional items required to be completed prior to treatment and indicate if items were completed.

- 5) Was follow up or additional treatment recommended by the Extermination Professional? YES or NO If yes, please provide date when follow up or additional treatment will be conducted: _____

LANDLORD STATEMENT OF CERTIFICATION

I, _____, certify that I have had the unit located at _____
professionally treated by a licensed extermination professional in order to eliminate the presence of bed bugs.

Landlord Signature

Date

Metropolitan Housing Alliance
 100 S. Arch St. Little Rock, AR 72201

Bed Bug Management Plan
 Maintenance Tracking Sheet

Tenant Information	
Name: _____	Phone: _____
Address: _____	Alt. Phone: _____
City, State, Zip _____	Email: _____

Step 1: Assessment (within 1 work day of work order call-in)		
<u>Date Completed</u>	<u>Verified</u>	<u>Action Item</u>
_____	_____	Work Order Clerk receives emergency inspection request.
_____	_____	Work Order Clerk schedules inspection with tenant and exterminator within 24 hours.
_____	_____	Exterminator conducts inspection with tenant present.
Bed Bugs Present?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, check all that apply and continue to step 2. If no, continue to step 5.
<u>Locations:</u>	Mattress <input type="checkbox"/>	Box spring <input type="checkbox"/> Walls <input type="checkbox"/> Baseboard <input type="checkbox"/> Physical <input type="checkbox"/>
<u>Indications:</u>	Grouped, bite markings <input type="checkbox"/>	Red, itchy skin <input type="checkbox"/>
<u>Bug samples collected:</u>	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Comments: _____		

Step 2: Preparation - Exterminator (during initial inspection, immediately after determining the presence of bed bugs)		
<u>Date Completed</u>	<u>Verified</u>	<u>Action Item</u>
_____	_____	Provide tenant "MHA & Tenant Roles and Responsibilities."
_____	_____	Obtain tenant signature on "MHA & Tenant Roles and Responsibilities."
_____	_____	Provide tenant with bed bug encasement(s) for each mattress and box spring.
_____	_____	Schedule treatment as soon as possible, but no more than three days after the determination that bed bugs are present.
Comments: _____		

Step 3: Treatment - Exterminator (ASAP, but no more than 3 days from initial inspection)		
<u>Date Completed</u>	<u>Verified</u>	<u>Action Item</u>
_____	_____	Unit Readiness: Determine if tenant has completed steps outlined in "MHA & Tenant Roles and Responsibilities."
Unit ready?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, conduct treatment and continue with steps 4 - 5. If no, cancel treatment and contact Manager immediately to process as a lease violation. (Work order for treatment is not to be closed until treatment is rendered.)
Comments: _____		

Step 4: Follow up - Maintenance (within 10 days of treatment)

<u>DateCompleted</u>	<u>Verified</u>	<u>ActionItem</u>
_____	<input type="checkbox"/>	Conduct phone follow up with tenant in 10 days of treatment date (from Step 3) to determine if treatment was successful or additional treatment required.
Additional treatment needed?	Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, contact Manager to schedule time for unit to be ready and call in emergency work order for retreatment. If no, continue to step 5.

Comments: _____

Step 5: Completion – Maintenance

<u>DateCompleted</u>	<u>Verified</u>	<u>ActionItem</u>
_____	_____	Based on Exterminator assessment in step 1, bed bugs not present.
_____	_____	Based on Maintenance follow up in step 4, treatment completed.
_____	_____	Distribute completed form.

Comments: _____

*Distribute completed form to: Property Manager for tenant file, Director of Housing Management, Director of Maintenance.

Metropolitan Housing Alliance
100 S. Arch St. Little Rock, AR 72201

Bed Bug Management Plan MHA & Tenant Roles and Responsibilities

It has been determined, based on the inspection of your residence that bed bugs are present and professional treatment is required. Bed bugs are a problem that can only be solved when both parties (MHA and tenant) work simultaneously toward a common goal, extermination and elimination. HUD regulations require the tenant's cooperation in order to successfully eliminate the presence of bed bugs. Without proper treatment, bed bugs are difficult to contain and have the potential to infest neighboring housing units. In addition, if a tenant relocates and the proper treatment has not taken place, the bed bugs will move with the tenant as bed bugs can be carried in furniture, bedding, clothing, etc. MHA will not be responsible for the reimbursement and/or replacement of any tenant furniture, clothing, household items, and medical expenses.

The following plan outlines the roles and responsibilities of MHA (landlord) and the tenant in the treatment of bed bugs:

MHA

- Inspect residence for infestation within one work day of receipt of emergency work order.
- Schedule treatment date as soon as possible, but no later than three days after the initial inspection (subject to tenant readiness).
 - Scheduled treatment date _____.
- Provide at initial inspection special bed bug mattress and box spring encasements for use on all mattresses and box springs, in accordance with the Maintenance Charge list. Tenant may provide own mattress and box spring encasements, however the time frames still apply.
- Provide a dozen (12) large trash bags at no charge to the tenant for the storage of clothing, towels, toys, other linens, etc. prior to and during treatment.
- Treat residence including furniture.
 - If infested furniture does not respond to treatment, MHA will dispose of furniture at tenant's request OR tenant can have furniture professionally re-treated at their expense. Proof of re-treatment MUST be provided to MHA within 48 hours of determination that initial treatment was unsuccessful. If the re- treatment of furniture is deemed unsuccessful, tenant may be required to dispose of furniture.
- Perform follow-up with tenant within 10 days of treatment to ensure treatment was effective.
- Perform additional treatments as necessary.

Tenant

- Tenant must be onsite at the scheduled time when the initial inspection is conducted.

- For treatment to be effective, tenant must perform the tasks listed below prior to the scheduled

treatment date. MHA encourages tenant to complete items listed as soon as possible in order to minimize severity of bed bug presence and resolve the problem quickly.

- Remove all sheets, blankets, mattress covers, pillowcases, etc. from beds and wash in hot water (120+degrees recommended) and dry in clothes dryer on the highest heat setting for at least 30 minutes. Fold them and place them in plastic garbage bags and seal the plastic bags tightly. Do not put them back on the bed until the evening after treatment.
- Remove everything from bedrooms and hall closets. Closets, dresser drawers, and night stand drawers
- must be empty. Remove all clothing, toys, boxes, etc. from bedroom floors.
- Wash all clothing, towels, and other linens in hot water (120+ degrees recommended) and dry in the dryer on the highest heat setting for at least 30 minutes. Place clean items inside airtight plastic storage bins or plastic garbage bags that are sealed tightly and store until after treatment.
- Vacuum (using disposable vacuum cleaner bags) all furniture, dresser drawers, night stand drawers, mattresses, and box springs. Place disposable vacuum cleaner bag inside plastic garbage bag that is sealed tightly and discard in outdoor trash receptacle immediately.
- Move all furniture to the center of the room(s) being treated.
- Discard all cardboard hangers, boxes, etc.
- Remove all pictures from walls.
- Place all bed bug mattress encasements (provided at initial inspection) on all beds. The bed bug mattress encasement is an effective bed bug killer when combined with treatment and must remain on the mattress for at least one year. If the mattress or box spring encasement becomes torn or damaged it is the tenant's responsibility to replace.
- Discarded mattresses, box springs, furniture, etc. must not be placed in dumpsters; they must be removed from the premises.

- Remain out of the residence for four hours after treatment (includes all household members and pets).
- Furniture that does not respond to treatment must be disposed of or professionally treated. If tenant chooses to dispose of furniture, MHA will remove furniture from the unit at tenant's request. If tenant chooses to dispose of furniture on their own it MUST be removed from the premises. If tenant chooses not to dispose of infested furniture they MUST have it re-treated (at their expense and within 48 hours of determination that initial treatment was unsuccessful) by a licensed exterminator. Tenant must provide proof of re-treatment to MHA within 72 hours of determination that initial treatment was unsuccessful.

FAILURE TO COMPLY: If treatment is scheduled and the exterminator determines that tenant has not performed the above stated responsibilities, the following will occur:

1. Treatment will be cancelled by the exterminator
2. Tenant will be held financially responsible for all costs incurred in accordance with the Maintenance Charge list.
3. Tenant lease may be terminated at MHA's discretion.

TENANT STATEMENT OF CERTIFICATION

I, _____, certify that I have read and understand the roles and responsibilities (MHA and tenant) as stated above and agree to perform them in order to successfully eliminate the presence of bed bugs.

Tenant Signature

Date

MHA Signature

Date

Metropolitan Housing Alliance
100 S. Arch St., Little Rock, AR 72201

Bed Bug Management Plan Prevention Tips

- Wash all bedding regularly in hot water. The water should be at least 120 degrees.
- Use bed bug encasements on all mattresses and box springs.
- Check your own bed for bed bugs from time to time. Catching them early will make bedbug treatment easier if bed bugs do occur.
- Vacuum floors regularly. Use the brush tool of your vacuum to vacuum your mattress. Use the crevice tool to vacuum crevices in the mattress and your baseboards.
- Clean up clutter to reduce hiding spots.
- Caulk holes in floors and walls.
- When purchasing second hand clothing, place all garments in a sealed bag until they can be washed and place in a dryer on high heat for 15 to 30 minutes.
- If you purchase used furniture, examine it for bed bugs. Pay special attention to used mattresses and bed frames.
- When traveling, check your room for signs of bed bugs such as bloodstains on the pillows or linens. Inspect mattress seams, look behind headboards and pictures. If you suspect you may have brought bed bugs home, place infected items in the dryer or freezer.
- After you return from a trip, check your luggage for insects that might have hitched a ride.

Attachment “5”



Metropolitan Housing Alliance

Administrative Grievance Procedure for Tenants of Low Rent Public Housing Program

**100 South Arch St.
Little Rock, AR 72201**



METROPOLITAN HOUSING ALLIANCE

TENANT ADMINISTRATIVE GRIEVANCE PROCEDURE

For the Low Rent Public Housing Program

I. PURPOSE

This Tenant Administrative Grievance Procedure has been adopted to provide a forum and procedure for tenants to seek the just, effective and efficient settlement of grievances against actions or decisions of the Metropolitan Housing Alliance (“the Authority”).

II. GOVERNING LAW

The law governing this tenant administrative grievance procedure is section 6(k) of the U.S. Housing Act of 1937 [42 U.S.C. §1437d (k) and subpart B of 24 CFR part 966 (24 CFR §966.50 - §966.57)].

III. APPLICABILITY

In accordance with applicable federal regulations, this grievance procedure shall be applicable to all Tenant grievances (as defined in Section IV below) with the exceptions listed below.

- A. This grievance procedure is not applicable to disputes between Tenants not involving the Authority or to class grievances involving groups of Tenants.
- B. The grievance procedure is not intended as a forum for initiating or negotiating policy changes between Tenants, or groups of Tenants, and Metropolitan Housing Alliance's Board of Commissioners.
- C. HUD has issued a due process determination, finding that the law of the State of Arkansas requires that tenants be given the opportunity for a hearing in court that provides the basic elements of due process (as defined in §966.53(c) - See Section IV below) before eviction from a dwelling unit. Therefore, the Authority will exclude from this tenant administrative grievance procedure any grievance concerning termination of tenancy or eviction based upon a tenant, occupant or guest involvement in the following:
 - 1. Any violent criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the Authority, or neighbors of the property;
 - 2. Any drug-related criminal activity on or off the premises;
 - 3. Any criminal conviction by a family member of a felony.
- D. The grievance procedure shall not be applicable to terminations or evictions for failing the annual criminal history screening of adult residents.



IV. **DEFINITIONS**

The following definitions of terms shall be applicable to this grievance procedure:

- A. *MHA*: MHA shall mean the Metropolitan Housing Alliance.
- B. *Business Days*: Monday through Friday of each week, except for legal holidays recognized by the Authority.
- C. *CFR*: The Code of Federal Regulations, which contains the federal regulations requiring this grievance procedure.
- D. *Complainant*: Complainant shall mean any tenant whose grievance is presented to the MHA in accordance with 24 CFR part 966 et seq and Section VI of this procedure.
- E. *Drug-related criminal activity*: The illegal manufacture, sale, distribution, use or possession with the intent to manufacture, sell, distribute, or use a controlled substance, as defined in sec. 102 of the Controlled Substances Act (21 U.S.C. sec. 802) as from time to time amended.
- F. *Elements of due process*: An eviction action or termination of tenancy in a state or local court in which the following procedural safeguards are required:
 - 1. Adequate notice to the Tenant on the grounds for terminating the tenancy and for eviction;
 - 2. Right of the Tenant to be represented by counsel;
 - 3. Opportunity for the Tenant to refute the evidence presented by the Authority, including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense, that the Tenant may have;
 - 4. A decision on the merits.
- G. *Eviction*: Forcing an occupant of a dwelling unit to move out of such unit through the legal process prescribed by the laws of the State of Arkansas.
- H. *Grievance*: Any dispute that a Tenant may have with respect to an action or a failure to act by the Authority in accordance with the individual Tenant's lease or Metropolitan Housing Alliance policies and procedures that adversely affects the individual Tenant's rights, duties, welfare or status.
- I. *Hearing Officer*: A person selected in accordance with 24 CFR §966.55 and this grievance procedure to hear grievances and render decisions with respect thereto.
- J. *HUD*: The United States Department of Housing and Urban Development.
- K. *Notice*: As used herein, the term notice shall, unless otherwise specifically provided, mean written notice.
- L. *Hearing*: A hearing that includes only the hearing panel or officer, a Metropolitan Housing Alliance representative, the resident, resident's representative, and all



witnesses permitted by the hearing officer. All hearings shall be private, unless the resident requests a public hearing in writing.

- M. *Public hearing:* A hearing that is open to all persons who desire to attend the hearing. A public hearing must be requested in writing.
- N. *Resident organization:* An organization of residents, which includes any resident management corporation, and specifically includes the Community Council Representative
- O. *Tenant:* The adult person (or persons) other than a live-in aide:
 - 1. Who resides in the unit and who executed the lease with the Metropolitan Housing Alliance as lessee of the dwelling unit, or, if no such persons resides in the unit,
 - 2. The person who resides in the unit, and who is the remaining head of the household of the Tenant family residing in the dwelling unit.

V. PROCEDURE PART OF RESIDENTIAL LEASE AGREEMENT

This tenant administrative grievance procedure is provided as an attachment to and incorporated by reference into all Residential Lease Agreements between Tenants and the Metropolitan Housing Alliance at all public housing developments.

VI. INFORMAL SETTLEMENT OF GRIEVANCES

A tenant must begin the grievance process by requesting and attending an informal settlement conference with the Authority to discuss whether the grievance can be settled without a hearing. The following procedures apply to a request for an informal conference under this tenant administrative grievance procedure:

- A. **Initial Presentation:** Any request for an informal conference must be personally presented, either orally or in writing to the manager in the management office of the development in which the tenant resides or to MHA's main office at 100 South Arch St, Little Rock, AR 72201. The request must be presented within five (5) business days after the event giving rise to the grievance. Each tenant requesting an informal conference shall be given a receipt showing proof of the request (see Exhibit "II").
- B. **Informal Conference:** If the informal conference cannot occur at the time the request is initially presented by the tenant, then the tenant will be promptly notified in writing of the time and place for the informal conference. The informal conference will be held within ten (10) business days after the initial presentation of the request.
- C. **Written Summary:** The Metropolitan Housing Alliance shall provide a written summary of the informal discussion to the tenant within five (5) business days after the informal conference. The summary shall be in writing and shall specify the names of the participants in the discussion, the date of the discussion(s), the nature of the proposed disposition of the grievance, and the specific reasons for such disposition. This written summary shall include the procedures by which



the tenant may obtain an formal hearing. A copy of the written summary shall be placed in tenant's file. This copy shall serve as proof that the tenant did participate in the informal conference.

- D. **Failure to Attend Informal Conference:** A tenant who does not attend an informal conference shall be considered to have waived the right to an informal conference and is not entitled to a formal hearing absent a showing of good cause why he/she failed to attend the informal conference. In such event, the Authority shall provide a notice to the tenant that shall specify the procedures by which the tenant may request a formal hearing. The hearing officer shall make the determination whether the tenant shows good cause for missing the informal conference before proceeding with the formal hearing.
- E. **Failure to Request Hearing:** If the tenant fails to request a formal hearing within five (5) business days after receiving the written summary of the informal conference, the Authority's decision rendered at the informal conference becomes final and the Authority is no longer obligated to offer the tenant a formal hearing. Tenant's failure to request a formal grievance hearing does not constitute a waiver to contest the Authority's action in Court.

VII. SELECTION OF HEARING PANEL OR HEARING OFFICER

The designation of hearing officers or a hearing panel for particular grievance hearings shall be governed by the following provisions:

- A. All hearings may be held before a Hearing Panel or a Hearing Officer.
- B. The Hearing Panel will consist of two or three impartial and disinterested parties appointed by the Community Council of President. The third or fourth member of the Panel will be the MHA Hearing Officer or his/her designee.
- C. The number of potential members of the Hearing Panel to be appointed by the Community Council Representative shall be determined by the Council.
- D. All individuals interested in serving as members of a Hearing Panel shall attend a workshop paid for by MHA before they serve on a Hearing Panel. The following topics will be covered in the workshop:
 - 1. The Federal law and regulations governing the grievance process;
 - 2. The MHA Lease and House Rules, Admissions and Continued Occupancy Policy, Pet Policy and Grievance Procedure;
 - 3. Conduct of a hearing;
 - 4. Rules of evidence;
- E. If there are not two members of the Hearing Panel pool able to serve in accordance with the timeframes set forth in this policy, the Hearing Officer or his/her designee will hear a grievance alone.
- F. Impartial hearing panel members will be appointed by the Metropolitan Housing Alliance in accordance with the following:



1. Two of more members of the Hearing Panel will be trained members of Community Council Representatives' designated pool of potential Panel members.
2. The third member of the Hearing Panel will be the MHA Hearing Officer or his/her designee.
3. No person shall accept an appointment, or retain an appointment, once selected as a hearing officer, if it becomes apparent that such person is not fully capable of impartiality.
4. Persons who are designated to serve as hearing panel members must disqualify themselves from hearing grievances in which they have some personal interest or any grievances that involve personal friends, relatives, or persons with whom they have any business relationship. Further, such persons are expected to disqualify themselves if the circumstances are such that a significant perception of partiality exists and is reasonable under the circumstances.

G. If a hearing panel member fails to disqualify himself or herself as required in this grievance procedure, the Authority will remove the individual from the list of persons appointed for such purposes, invalidate the results of the grievance hearing in which such person should have, but did not, disqualify himself or herself, and schedule a new hearing with a new hearing officer.

VIII. SCHEDULING OF FORMAL HEARINGS

A tenant does not have a right to a formal grievance hearing unless the tenant has satisfied the prerequisites set forth below.

- A. The tenant must request a hearing in writing within five (5) business days after receiving the written summary of the informal conference
- B. The tenant must complete the informal conference procedure or the hearing officer must determine that a tenant has good cause for failing to proceed in accordance with procedures above in Section VI concerning informal conferences.

If the matter involves the amount of rent that the Authority claims is due under the tenant's lease, the tenant shall have paid to the Authority an amount equal to the amount due and payable as of the first day of the month immediately preceding the month in which the complained of act or failure to act took place. The monies paid to the Authority by tenant shall be placed in an escrow account. And, in the case of situations in which hearings are, for any reason delayed, the tenant shall thereafter, deposit the same amount of the monthly rent in an escrow account monthly until the complaint is resolved by decision of the hearing officer or his/her designee. The tenant's failure to make payments into escrow, unless waived by the Authority in writing, shall terminate the tenant's grievance. No waiver will be given by the Authority except in cases of extreme and undue hardship to the tenant, determined in the sole and absolute discretion of the Authority. If the amount of rent paid into escrow by tenant is



proven to be equal to or less than rent that is owed by the tenant to MHA, MHA may apply the money paid in escrow to the tenant's account. If the amount of rent paid into escrow is proven to be more than rent that is owed by the tenant to MHA, MHA shall refund the overage amount paid in escrow to tenant.

C. The Formal Hearing will take place within 10 days of the date it is requested by the Complainant.

IX. PROCEDURES GOVERNING HEARINGS

A. *Fair Hearing*

The hearings shall be held before a Hearing Panel or a Hearing Officer as described above in Section VIII. The tenant shall be afforded a fair hearing, that shall include:

1. The opportunity to examine before the hearing any non-privileged Metropolitan Housing Alliance documents, including records and regulations that are directly relevant to the hearing. The tenant will be afforded the opportunity to review and copy all records maintained in his/her individual file, provided the request is properly made. The tenant must request the production of such documents in writing to the Metropolitan Housing Authority, 100 S. Arch, Little Rock, AR, 72201 at the tenant's expense. If the Authority does not make the document available for examination upon request by the tenant, the Authority may not rely on such documents at the grievance hearing.
2. The right to be represented by counsel or other person chosen as the tenant's representative and to have such person make statements on the tenant's behalf.
3. The right to a private hearing unless the tenant requests a public hearing.
4. The right to present evidence and arguments in support of the tenant's complaint, to controvert evidence relied on by the Authority and to confront and cross examine all witnesses upon whose testimony or information the Authority or its management relies; and
5. The right to a decision solely and exclusively upon the facts presented at the hearing.

B. *Prior Decision in Same Matter*

The Hearing Panel or a Hearing Officer may render a decision without proceeding with the hearing if they determine that the issue has been previously decided in another proceeding.

C. *Failure to Appear*

If the Tenant or the Authority fails to appear at a scheduled hearing, the Hearing Panel or a Hearing Officer may make a determination to postpone the hearing for



a period not to exceed five (5) business days or may make a determination that the party failing to attend has waived the right to a hearing. In such event, the Hearing Panel or a Hearing Officer shall notify the Tenant and the Authority of the determination.

The failure to attend a grievance hearing shall not constitute a waiver of any right for which the tenant may have to contest the Authority's disposition of the grievance in an appropriate judicial proceeding.

D. *Required Showing of Entitlement to Relief*

At the hearing, the Tenant must first make a showing of an entitlement to the relief sought and thereafter, if such a showing is made, the Authority must sustain the burden of justifying the Authority's action or failure to act against which the complaint is directed.

The Tenant and Metropolitan Housing Alliance may each present evidence. The evidence may consist of documents or witnesses. The tenant may testify. The tenant and the Authority have the right to question each other's witnesses.

E. *Informality of Hearing.*

The hearing shall be conducted informally by the Hearing Panel or Hearing Officer, and oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to a judicial proceeding.

F. *Orderly Conduct Required*

The Hearing Panel or Hearing Officer shall require the Authority, the tenant, counsel, and other participants or spectators, to conduct themselves in an orderly fashion. Failure to comply with the directions of the Hearing Panel or Hearing Officer to obtain order may result in exclusion from the proceedings or in a decision adverse to the interests of the disorderly party and granting or denial of the relief sought, as appropriate.

G. *Transcript of Hearing.*

The Tenant or the Authority may arrange in advance, and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.

X. **DECISION OF THE HEARING PANEL OR HEARING OFFICER**

At or subsequent to the completion of the formal grievance hearing, the hearing panel or officer shall make a determination as to the merits of the grievance and the following provisions shall govern:

A. *Written Decision*

The Hearing Panel or Hearing Officer shall prepare a written decision, together with the reasons for the decision within ten (10) business days after the completion of the hearing.



1. A copy of the decision shall be sent to the tenant and to the Metropolitan Housing Alliance. The Authority shall retain a copy of the decision in the tenant's file.
2. A copy of such decision, with all names and identifying references deleted, shall also be maintained on file by the Metropolitan Housing Alliance (Office of General Counsel) and made available for inspection by any prospective tenant, his/her representative, or the hearing officer.

B. *Binding Effect*

The written decision of the hearing officer shall be binding upon the Authority, which shall take all actions, or refrain from any actions necessary to carry out the decision unless Metropolitan Housing Alliance's Board of Commissioners determines within a reasonable time, and promptly notifies the complainant of its determination, that:

1. the grievance does not concern the Authority's action or failure to act in accordance or involving the tenant's lease or the Authority's policies and procedures that adversely affect the Tenant's rights, duties, welfare or status; or
2. the decision of the hearing officer is contrary to applicable Federal, State, or local law, HUD regulations or requirements of the annual contributions contract between HUD and the Authority.

C. *Continuing Right of Tenant to Judicial Proceedings*

A decision by the Hearing Panel or Hearing Officer in favor of the Authority or that denies the relief requested by the tenant in whole or in part, shall not constitute a waiver of, nor effect in any way the rights of the Tenant to a trial or judicial review in any judicial proceedings, that may thereafter be brought in the matter.

XI. NOTICES

All notices under this grievance procedure shall be deemed delivered: (1) upon personal service thereof upon the tenant or an adult member of the tenant's household, (2) upon the date receipted for or refused by the addressee, in the case of certified or registered U.S. Mail, or (3) on the second day after the deposit thereof for mailing, postage prepaid, with the U.S. Postal Service, if mailed by first class mail other than certified or registered mail.

XII. REASONABLE ACCOMODATION OF PERSONS WITH DISABILITIES

The Metropolitan Housing Alliance shall provide reasonable accommodation for persons with disabilities to allow them to participate in grievance hearings, which may include qualified sign language interpreters, readers, accessible locations, attendants, etc.

If a Tenant is visually impaired, any notice hereunder delivered to such Tenant shall be in an accessible format.



XIII. MODIFICATION

This grievance procedure may not be amended or modified except by approval of a majority of the Hearing Panel or Hearing Officer present at a regular meeting or a special meeting called for such purposes. Further, in addition to the foregoing, any changes proposed to be made to this grievance procedure must provide for at least (30) days advance notice to tenants and resident organizations, setting forth the proposed changes and providing an opportunity to present written comments. The comments submitted shall be considered by the Authority before final adoption of any amendments hereto.

XIV. MISCELLANEOUS

- A. *Captions:* Captions or paragraph headings set forth in this grievance procedure are for convenience of reference only and shall not be construed or interpreted to affect the substance of the paragraphs or sections so captioned.
- B. *Concurrent Notice:* If a Tenant has filed a request for grievance hearing hereunder in a case involving the Authority's notice of termination of tenancy, the tenant should be aware that the State law notice to vacate and the notice of termination of tenancy required under Federal law run concurrently. Therefore, if the hearing officer upholds the Authority's action to terminate the tenancy, the Authority may commence an eviction action in court upon the sooner of, the expiration of the date for termination of tenancy and vacation of premises stated in the notice of termination delivered to tenant, or the delivery of the report of decision of the hearing officer to tenant.



EXHIBIT "I"

TENANT RECEIPT FOR INFORMAL CONFERENCE REQUEST

A request for an Informal Conference with _____
(Development Name)

was made on _____ by _____.
(Date) *(Print Resident Name)*

I, _____, acknowledge receipt of the
(Development Manager)

Tenant's request for an Informal Conference.

Signature of Manager

Date

Signature of Tenant

Date



EXHIBIT "II"

NOTICE OF TENANT'S RIGHT TO FORMAL HEARING ON A GRIEVANCE

I have been advised of my right to an informal conference with the Housing Manager in case of a grievance with respect to Metropolitan Housing Alliance's action or failure to act in accordance with the lease or Metropolitan Housing Alliance's regulations, which may adversely affect my rights, duties, welfare, or status.

I have also been advised that if I am not satisfied with the proposed informal disposition of my grievance, I have a right to an formal Hearing with a Hearing Officer under the "Formal Grievance Hearing" section of the Administrative Grievance Procedure.

I will have the right to appear at the Formal Hearing and speak in my own behalf, to bring witnesses and documents as I desire, to cross-examine Metropolitan Housing Alliance witnesses and be represented by counsel or other representatives of my choice. I have the right before the hearing to examine and copy any Metropolitan Housing Alliance documents, records, and/or regulations that are directly relevant to the hearing.

(Print Name)

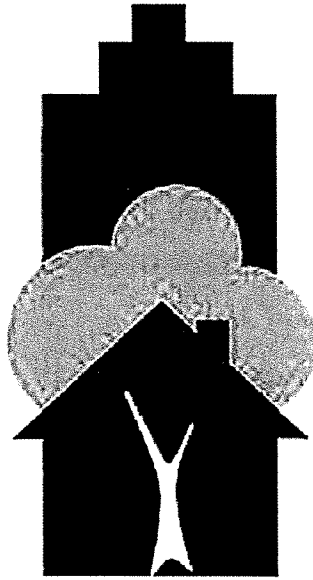
(Tenant's Signature)

(Date)

Attachment “6”

HOUSING CHOICE VOUCHER PROGRAM

GRIEVANCE PROCEDURE



MHA

METROPOLITAN HOUSING ALLIANCE

GIVING EVERY STREET A NEIGHBORHOOD.
MAKING EVERY HOUSE A HOME.

Grievance Procedures

INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

MHA must provide applicants with the opportunity for an informal review of decisions denying:

- Qualification for preference
- Listing on MHA's waiting list
- Issuance of a voucher
- Participation in the program
- Assistance under portability procedures

Informal reviews are **not required** for established policies and procedures and MHA determinations such as:

- Discretionary administrative determinations by MHA
- General policy issues or class grievances
- A determination of the family unit size under MHA subsidy standards
- Refusal to extend or suspend a voucher
- A MHA determination not to grant approval of the tenancy
- Determination that unit is not in compliance with HQS
- Determination that unit is not in accordance with HQS due to family size or composition

Procedure for Review

A request for an informal review must be received **in writing** by the close of the business day, no later than 10 business days from the date of MHA's notification of denial of assistance.

The review may be conducted by a staff person who is at the Manager level or above or an individual from outside MHA.

The applicant will be given the option of presenting oral or written objections to the decision. Both MHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

After a review date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. The request to reschedule must be received by MHA before 48 hours of the scheduled hearing date.

If a family does not appear at a scheduled review and has not rescheduled the review in advance, the family must contact MHA within 48 hours, excluding weekends and holidays. MHA will reschedule the review only if the family provides documentation within 7 calendar days, substantiating circumstances beyond the family's control.

If the family misses an appointment or deadline ordered by the reviewer during the initial review, the action of MHA shall take effect and another review will not be granted.

A notice of the review findings will be provided in writing to the applicant within 10 business days after the later of the review or the date that any requested documents are received by the tenant. It shall include the decision of the review officer and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file for three years after the termination.

INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]

Hearings are provided for applicants who are denied assistance before the effective date of the HAP contract due to citizenship status and to participating participants who are terminated from the housing choice voucher program and/or FSS program; and/or disputing the amount of assistance.

MHA must provide participants with the opportunity for an informal hearing for decisions related to any of the following MHA determinations:

- Determination of the family's annual or adjusted income and the computation of the housing assistance payment
- Appropriate utility allowance used from schedule
- Family unit size determination under MHA subsidy standards
- Determination to terminate assistance for any reason

- Determination to terminate a family's FSS contract, withhold supportive services, or propose forfeiture of the family's escrow account

MHA must always provide the opportunity for an informal hearing before termination of assistance.

Informal hearings are not required for established policies and procedures and MHA determinations such as:

- Discretionary administrative determinations by MHA
- General policy issues or class grievances
- Establishment of MHA schedule of utility allowances for families in the program
- A MHA determination not to approve an extension or suspension of a voucher term
- A MHA determination not to approve a unit or lease
- A MHA determination that an assisted unit is not in compliance with HQS. MHA must provide hearing for family breach of HQS because that is a family obligation determination
- A MHA determination that the unit is not in accordance with HQS because of the family size
- A MHA determination to exercise or not exercise any right or remedy against the owner under a HAP contract

Procedure for Hearing

A request for an informal hearing must be received **in writing** by the close of the business day, no later than 10 business days from the date of MHA's notification regarding the termination of assistance.

The review may be conducted by a staff person who is at the Manager level or above or an individual from outside MHA.

The notification of hearing will contain:

- The date and time of the hearing
- The location where the hearing will be held
- The family's right to bring evidence, witnesses, legal or other representation at the family's expense

- The right to view any documents or evidence in the possession of MHA upon which MHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. Requests for such documents or evidence must be received no later than 7 days before the hearing date.
- A notice to the family that MHA will request a copy of any documents or evidence the family uses at the hearing. Requests for such documents or evidence must be received no later than 7 days after the hearing date.

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. The request to reschedule must be received by MHA before 48 hours of the scheduled hearing date.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact MHA within 48 hours, excluding weekends and holidays. MHA will reschedule the hearing only if the family provides documentation within 7 days, substantiating circumstances beyond the family's control. The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The Hearing Officer may ask the family for additional information or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

The Hearing Officer has the authority to control the number of persons in the hearing at any one time and maintain order of the hearing. The Hearing Officer may request that parties not immediately needed in the hearing, wait outside of the hearing to be called in individually.

If the family misses an appointment or deadline ordered by the Hearing Officer during the initial hearing, the action of MHA shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action, inaction or decision of MHA is in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

In addition to other rights contained in this Chapter, MHA has a right to:

- Present evidence and any information pertinent to the issue of the hearing;

- Be notified if the family intends to be represented by legal counsel, advocate, or another party;
- Examine and copy any documents to be used by the family prior to the hearing;
- Have its attorney present; and
- Have staff persons and other witnesses familiar with the case present.

A notice of the hearing findings will be provided in writing to the participant before the date of assistance termination. It shall include the decision of the review officer and an explanation of the reasons for the decision.

MHA is not bound by hearing decisions:

- Which concern matters in which MHA is not required to provide an opportunity for a hearing;
- Which conflict with or contradict to HUD regulations or requirements;
- Which conflict with or contradict Federal, State or local laws; or
- Which exceed the authority of the person conducting the hearing.

MHA shall send a letter to the participant if it determines MHA is not bound by the Hearing Officer's determination within 10 business days. The letter shall include MHA's reasons for the decision.

HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while MHA hearing is pending but assistance to an applicant may be delayed pending MHA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, MHA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with MHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give MHA a copy of the appeal and proof of mailing or MHA may proceed to deny or terminate. The time period to request an appeal may be extended by MHA for good cause.

The request for a MHA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members MHA will:

- Deny the applicant family
- Defer termination if the family is a participant and qualifies for deferral
- Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, MHA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.
- Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
- Participants whose assistance is pro-rated either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.
- Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

Attachment “7”

ADDENDUM A

HOUSING CHOICE VOUCHER PROGRAM

HOMEOWNERSHIP PLAN



RESOLUTION NO. #6594
Board Approved: April 16, 2015

HOUSING CHOICE VOUCHER HOMEOWNERSHIP PROGRAM

[24 CFR 982.625 through 982.643]

~~15-VII.A. A. OVERVIEW-INTRODUCTION [24 CFR 982.625]~~

~~The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the Housing Choice Voucher (“HCV”) program. The PHA must have the capacity to operate a successful HCV homeownership program as defined by the regulations.~~

MHA’s Housing Choice Voucher Homeownership Program (HCVHP) is designed to expand homeownership opportunities for voucher participants. This program will assist Housing Choice Voucher (HCV) participants to transition from rental assistance to homeownership using their voucher. Interested participants in the Homeownership Program must submit an application for the program and the MHA will determine eligibility in accordance with the MHA Homeownership policy and ability of the family to qualify for a home mortgage. The program will be limited to a maximum of 50 housing vouchers. ~~There are two forms of homeownership assistance a PHA may offer under this option: monthly homeownership assistance payments, or a single down payment assistance grant. PHAs may choose to offer either or both forms of homeownership assistance, or choose not to offer either~~

~~There is only one form of homeownership assistance currently available that the Metropolitan Housing Alliance (“MHA”) offers at this time and it is the *monthly homeownership assistance payment*.~~

There is no additional funding or separate funding for a Homeownership Program. In general, the funding for this program comes from the PHA’s Annual Contributions Contract (ACC) executed with HUD for the HCVP.

~~MHA may offer homeownership assistance if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. It is the sole responsibility of MHA to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. MHA must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability.~~

~~MHA must approve a live in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. MHA will review request for reasonable accommodations and may approve a live in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.~~

~~Criteria to be used to demonstrate MHA capacity:~~

- ~~1. MHA requires the financing for purchase of a home under its Section 8 homeownership program complies with secondary mortgage market requirements; or complies with generally accepted private sector underwriting standards.~~
- ~~2. MHA reserves the right to impose additional criteria on the financial instruments, depending on family circumstances or changes in the homeownership market.~~

~~MHA HCV Homeownership Program is designed to expand homeownership opportunities for voucher participants. This program will assist HCV participants to transition from rental assistance to homeownership using their voucher assistance.~~

~~The HCV Homeownership Program is now available to all voucher holders who meet the minimum qualifications set forth in this plan and who have the ability to independently secure a mortgage loan. The number of participants served through the HCV Homeownership program is currently limited to the parameters set forth in MHA Housing Agency Plan.~~

B. FAMILY REQUIREMENTS

1. Family must be a current participant in the HCV program for a minimum of one year.
2. The family does not owe MHA or any other housing authority money.
3. Family must complete an application for participation in the Homeownership Program.
4. Family must meet program eligibility requirements:
 - (1) Have an annual minimum household income of \$14,500, and \$8,820 for disabled families; {If family does not meet the MHA minimum-income standard but can demonstrate it has been pre-qualified or pre-approved for financing that meets MHA requirements and that financing amount is sufficient to purchase a home that meets HQS in the MHA jurisdiction, family will be processed for pre-counseling and subsequent eligibility determination.} Welfare assistance may be included to meet the minimum household income requirement for elderly/disabled families only.
 - (2) The head of household or co-head of household must be currently employed on a fulltime basis (not less than an average of 30 hour per week as defined by HUD) and have been continuously so employed during the year before commencement of homeownership assistance for the family. Continuously employed includes employment with no more than a 60-day break between employment periods. This requirement does not apply to elderly/disabled families.
 - (3) Family must be a first-time homebuyer as defined by HUD. See section C of this addendum.
 - (4) Family may not have defaulted under any previous

homeownership loan.

5. Family must complete a pre-assistance and housing counseling program approved by MHA.
6. Family must provide a minimum equity in the home by providing a minimum down payment of 3% of the sales price; 1% of the 3% down payment must come from the personal resources of the family.
7. MHA will make Housing Assistance Payments (HAP) in the manner prescribed by the lender, either directly to family, directly to lender, or deposited into a financial institution where payments will be drafted by lender. If required by the lender, the family must agree to set up a bank account solely for the purpose of depositing the assistance check and the tenant payment from the family. Family must deposit their portion of the mortgage payment in the account on the 1st of each month. The Mortgager must agree to debit the account each month for the mortgage payment. Date of debit to be established by family's mortgager. MHA will deposit their portion of the mortgage payment in the account prior to the 5th of each month.
8. Family is required to complete all requirements for annual recertifications and submit all changes in income to MHA within 30 days of the change.
9. The family must locate a unit within the required maximum period of 120 days. The sale must be within the maximum period of 180 days. The family will be permitted to remain on the HCV program, provided they meet all the eligibility requirements for continued assistance under that program if the homeownership voucher has not been utilized.
10. MHA reserves the right to deny participation in the Homeownership Program to any family due to lack of funds provided by HUD to cover per unit cost of mortgage payment.
11. Family's portion of the mortgage payment (principal, interest, insurance and taxes) may not be greater than 40% of family's net adjusted household income.

Housing Choice Voucher Rules Apply

~~With the exception of unique eligibility and "family obligation" procedures identified elsewhere in the chapter, MHA, will administer the HCV Homeownership program in accordance with all the policies and procedures contained in the HCV Administrative Plan and 24 CFR Part 982.~~

15-VII.B. FAMILY ELIGIBILITY [24 CFR 982.627]

The family must meet all of the requirements listed below before the commencement of homeownership assistance. The PHA may also establish additional initial requirements as long as they are described in the PHA administrative plan.

The family must have been admitted to the Housing Choice Voucher program.

- ~~1) —~~
- ~~2) The family must qualify as a first-time homeowner, or may be a cooperative member.~~
- ~~3) —~~
- ~~4) The non-disabled/non-elderly/elderly family must meet the Federal minimum income requirement of \$14,500. The family must have a gross annual income equal to the Federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home. MHA may establish a higher income standard for families. However, a family that meets the federal minimum income requirement (but not MHA's requirement) will be considered to meet the minimum income requirement if it can demonstrate that it has been pre-qualified or pre-approved for financing that is sufficient to purchase an eligible unit. Welfare assistance cannot be used to determine the minimum income requirement for a non-elderly/non-disabled family.~~
- ~~5) —~~
- ~~6) For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.~~
- ~~7) —~~
- ~~8) For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.~~
- ~~9) —~~
- ~~10) — The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (the term 'full-time employment' means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family.~~
- ~~11) —~~
- ~~12) — The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family includes a person with disabilities, the PHA must grant an exemption from the employment requirement if the PHA determines that it is needed as a reasonable accommodation.~~
- ~~13) —~~
- ~~The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option~~
- ~~14) — Except for cooperative members who have acquired cooperative membership shares~~

~~prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.~~

- ~~1. Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.631(c).~~

~~The family has had no family-caused violations of HUD's Housing Quality Standards ("HQS") within the past year.~~

- ~~4. The family does not owe any money to MHA.~~
- ~~2. The family has not committed any serious or repeated violations of a MHA-assisted lease within the past year.~~
- ~~3. The family is in good standing with all terms of the family obligations and has been so for at least one year.~~

- ~~15) An applicant must demonstrate a minimum down payment of at least three percent (3%) or more. One percent (1%) of the purchase price of the property must come from the family's personal resources.~~

General Requirements

- ~~1. Only current participants in the HCV rental program who have received assistance for at least one full year may apply for the homeownership program.~~
- ~~1. An applicant must be in good standing with their landlord and MHA with regard to their family obligations and contracts.~~

~~The family must satisfy the prerequisite of being in "good standing" prior to receiving a Certificate of Eligibility for the homeownership program. For the purposes of the homeownership program, "good standing" is defined as meeting all of the conditions prior to and during the homeownership shopping period, as outlined below:~~

~~A landlord reference(s) indicating that during the prior year the family has an uninterrupted record of paying monthly rent in full and on time, and satisfactorily meets all other lease obligations, as documented on the *Homeownership Landlord Reference* form. All verifications will be completed via third party written or oral communication with the applicant's landlord.~~

~~Within the past year, the family has met all the HUD and MHA family obligations under the HCV program.~~

~~Within the past year and throughout the homeownership shopping period, the family may not owe MHA or any other housing authority any outstanding debt nor enter into a repayment agreement. A participant may become eligible to~~

apply for the homeownership program on the first anniversary date of full - payment of any debt, subject to meeting the other conditions of good standing;

An applicant must be a "first-time homeowner."

To qualify as a "first-time homeowner," the assisted family may not include any person with a "present ownership interest" in a residence during the three years before the commencement of homeownership assistance for the family. Cooperative membership shares acquired prior to the commencement of homeownership assistance are exempt from this rule. 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, is considered a "first-time homeowner."

Other conditions also apply to "first-time homeowner" definition:

No family member may have a present ownership interest in a second residence while receiving homeownership assistance.

If MHA determines that a disabled family requires homeownership assistance as a reasonable accommodation, the first-time homeowner requirement does not apply.

MHA will not commence homeownership assistance for a family if any family - member has previously received assistance under the homeownership option, - and has defaulted on a mortgage securing debt incurred to purchase the home.

An applicant must demonstrate a minimum down payment of at least three - percent (3%) or more. One percent (1%) of the purchase price of the property - must come from the family's personal resources.

An applicant must meet the minimum income standards defined below:

- For a family whose head or co-head of household, spouse or sole member is an individual that experiences permanent disability, the standard is equal to the monthly Federal Supplemental Social Security Income (SSI) benefit for an individual (1- person) living alone (or paying his or her share of food and housing - costs) multiplied by twelve.

- For non-disabled or elderly families, the minimum income standard is the state minimum wage multiplied by 2,000 hours ($\$7.50 \times 2000 = \$15,000$.) This - standard as a MHA option is greater than the HUD minimum income - requirement.

For purposes of program eligibility, welfare assistance may only be counted as - income in cases where the applicant meets the definition of an elderly or disabled family.

If a family has a minimum income equal to or greater than the Federal minimum - wage multiplied by 2,000 hours ($\$14,500$ as of July 24, 2009) but less than the

~~state minimum wage multiplied by 2,000 hours, the family will meet the minimum - income requirement if the~~

~~family can demonstrate it has located a PHA approvable unit and has secured PHA approvable financing for that unit and meets all other program - requirements.~~

~~An applicant shall be considered to have satisfied the lender requirement if the family can demonstrate that it has been pre-qualified or pre-approved for - financing with an acceptable loan product. The pre-qualified or pre-approved - financing amount must be sufficient to purchase housing that meets Housing - Quality Standards (HQS).~~

15-VII.C. SELECTION OF FAMILIES [24 CFR 982.626]

~~Unless otherwise provided (under the homeownership option), the PHA may limit homeownership assistance to families or purposes defined by the PHA, and may prescribe additional requirements for commencement of homeownership assistance for a family. If MHA limits the number of families that may participate in the homeownership option, MHA must establish a system by which to select families to participate.~~

MHA POLICY

~~MHA has not designated a specific amount of Vouchers to the HCV HO Program, however, MHA will adjust the program to the number of vouchers available in the market, qualified families, need, and administrative resources. Families who are on or near graduation in MHA's Family Self Sufficiency program or have graduated from the FSS program will be given preference over other families. Within preference and non-preference categories, families will be selected according to the date and time of their application for participating in the homeownership option approved by MHA. All families must meet eligibility requirements as defined in Section 15-VII.B of this plan.~~

C. FIRST-TIME HOMEBUYER

An applicant must be a "first-time homeowner."

To qualify as a "first-time homeowner," the assisted family may not include any person with a "present ownership interest" in a residence during the three years before the commencement of homeownership assistance for the family. Cooperative membership shares acquired prior to the commencement of homeownership assistance are exempt from this rule. 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, is considered a "first-time homeowner."

Other conditions also apply to "first-time homeowner" definition:

No family member may have a present ownership interest in a second residence while receiving homeownership assistance.

If MHA determines that a disabled family requires homeownership assistance as a reasonable accommodation, the first-time homeowner requirement does not apply.

D. PRE-ASSISTANCE/HOMEOWNERSHIP COUNSELING

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling programs required by MHA (pre-assistance counseling).

Topics for MHA required pre-assistance counseling program include, but are not limited to:

1. Credit counseling;
2. How to find a home, including information about homeownership opportunities, schools, and transportation in the City of Little Rock;
3. Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
4. Information on fair housing, including fair housing lending and local fair housing enforcement agencies;
5. How to negotiate the purchase of a home;
6. Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) (RESPA), State and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions;
7. How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;
8. Home maintenance (including care of the grounds);
9. Budgeting and money management; and
10. Other information MHA or the counseling agency deems appropriate.

E. HOMEOWNERSHIP VOUCHER ISSUANCE

1. Voucher subsidy size is consistent with policy under the Administrative Plan for the HCV Program.
2. Approved applicants will be given a "homeownership" voucher, which will

permit them to locate a home they wish to purchase. The family will be given 120 days to locate a unit.

3. Voucher may be extended an additional 60 days for completion of the sale.
4. Voucher may not be extended beyond 180 days from date of issuance.
5. In the event of an increase in household income during the period between the issuance of the "homeownership" voucher and its expiration date, the adjustment will be made as an interim after the change of unit or expiration date of voucher. In the event of a decrease in household income during the period between issuance of the voucher and its expiration date, the adjustment will be made the month following the date it was reported.

E.SELLER REQUIREMENTS

1. MHA may not commence homeownership assistance for occupancy of a home if MHA has been informed (by HUD or otherwise) that the seller of the home is debarred, suspended, or subject to a limited denial of participation.
2. Lease-Purchase agreements are not acceptable.
3. MHA has the right to accept or reject any property owner it deems inappropriate for the homeownership program to include, but not limited to, those identified under #1; and those who have been consistently in noncompliance as a property owner under the Tenant Based Assistance program.

G.PROPERTY REQUIREMENTS

Initial requirements applicable to the property unit include the following determinations by MHA:

1. The property unit is an eligible unit under HUD regulation (24CFR 982.352), with any exceptions permitted by HUD.
2. MHA has elected to limit the Homeownership Program to only single-family dwelling units.
3. Property may include properties owned by MHA or under MHA Homeownership program.
4. Family may enter into contract of sale for units not yet under construction at the time the family enters into the contract for sale. MHA must not commence homeownership assistance until appropriate

environmental reviews are completed and construction is completed.

5. Family must have the right to refuse a property under construction if it does not meet the quality and finished home requirements expected by the purchaser.
6. The unit must be inspected by a MHA inspector AND by an independent inspector designated by the family under HUD regulation. (See 982.631)
7. The unit must satisfy the minimum Housing Quality Standard (HQS) requirement under HUD regulations (See 982.401 and 982.632) and City Code requirements.

H.INSPECTIONS

1. MHA may not commence homeownership assistance for a family until the MHA or other authorized agency has inspected the unit and has determined that the unit passes HQS. The HQS inspection is to occur a minimum of two weeks prior to proposed closing. Any failed or incomplete items must be cured, the property re-inspected with a passed status prior to closing.
2. The unit must also be inspected by an independent professional inspector, selected and paid by the family. This inspection should occur shortly after the signing of a contract of sale.
3. 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. The independent inspector must be qualified to report on property conditions, including major building systems and components.
4. The independent inspector shall not be a MHA employee or contractor, other person under control of the MHA, or one selected by the MHA. The independent inspector may not have a relationship with the seller.
5. The independent inspector must provide a copy of the inspection report both to the family and to the MHA. The MHA may not commence homeownership assistance for the family until the MHA has reviewed the inspection report of the independent inspector. Even if the unit otherwise complies with the HQS (and may qualify for assistance under the PHA's tenant-based rental voucher program), the MHA shall have discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report.

I.CONTRACT OF SALE

1. Before commencement of homeownership assistance, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the MHA a copy of the contract of sale (see also HUD regulation 982.627(a)(7).
2. The contract of sale must:
 - (1) Specify the price and other terms of sale by the seller to the purchaser
 - (2) Provide that purchaser has the right of refusal for any home purchased under construction once property has been built.
 - (3) Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser. Inspection fee is to be paid by purchaser. Independent inspector should not have a relationship with the seller.
 - (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; and,
 - (6) Contain a certification from the seller that the seller has not been debarred, suspended, or subjected to a limited denial of participation under this section.

J.HOME FINANCING

1. MHA prefers financing for the purchase of the home is by a qualified financial institution in the mortgage-financing business; however, seller financing may be approved on a case-by-case basis.
2. Balloon payment mortgages are not acceptable.
3. Down payment required on the home will be a minimum of 3% of the approved sale price (with 1% coming from personal resources).
4. The family must establish a minimum equity in the home by providing a minimum of 1% of the sales price from their personal resources toward the

down payment.

5. All MHA mortgages are subject to MHA mortgage insurance requirements.
6. Equity in the home may not be utilized as security for any "equity-secured" loan without pre-approval by MHA.
7. MHA will review lender qualifications and loan terms prior to authorizing homeownership assistance. Homeownership assistance will be denied by MHA if MHA determines proposed financing, refinancing, or other debt to be unaffordable or if lender or loan terms do not meet MHA qualifications. In making this determination, MHA will consider other family expenses such as childcare, unreimbursed medical expenses, homeownership expenses, and other such family expenses it deems appropriate.

K. FAMILY OBLIGATIONS

1. The family must comply with the following obligations listed in the HCV Administrative Plan in addition to the following:
 - (1) Compliance with mortgage - The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of such debt).
 - (2) The family must not transfer the unit.
 - (3) The family may grant a mortgage on the home for debt incurred to finance the purchase of the home or any refinancing of such debt.
 - (4) Upon death of a family member who holds, in whole or in part, title to the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members in accordance with HUD regulations.
 - (5) The family must notify the MHA, by written notice, a minimum of 60 days before the family moves out of the home.
 - (6) Notice of mortgage default - The family must notify the MHA if the family defaults on a mortgage securing any debt incurred to purchase the home.
 - (7) Prohibition on ownership interest on second residence - During the time the family receives homeownership assistance under the MHA

homeownership program, no family member may have any ownership interest in any other residential property.

L. MAXIMUM TERM OF HOMEOWNER ASSISTANCE

Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:

- 1) Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
- 2) Ten years, in all other cases.

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).

If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

Upon the death of a family member who holds, in whole or in part, title to the home, homeownership assistance may continue, pending settlement of the decedent's estate. The home must be solely occupied by remaining family members in accordance with 24 CFR 982.551(h).

For a nonelderly/nondisabled family, the total homeownership assistance received by a family, whether on different homes or through different public housing agencies, cannot exceed the eligible term of assistance based on the of the initial mortgage loan. If the family has received such assistance for different homes, or from different MHA, the total of such assistance terms is subject to the maximum term described in this part.

M. HOMEOWNERSHIP EXPENSES

1. Determination of Homeownership Expenses. In accordance with HUD requirements, the MHA has adopted the following policy for determining the amount of homeownership expenses to be allowed:
 - (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 taxes and public assessments on the home;
- (3)Home insurance;
- (4)MHA allowance for maintenance and major repair and replacement expenses in the amount of \$50.00 monthly.
- (5)MHA utility allowance for the bedroom size of the home in accordance with the MHA Administrative Plan; 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 finance costs needed to make the home accessible for such person, provided MHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.

2. Payment to Lender or Family: The MHA will make homeownership assistance payments directly to the lender in one of the following manners as required by the lender.

- (1)By depositing the said amount in a designated bank account set up for the sole purpose of accommodating the mortgage payment. Purchaser deposits the tenant payment to said account. The mortgager will then debit the account each month for the mortgage payment.
- (2)Make payments directly to the family.
- (3)Make payments directly to the lender.

3. Monthly Mortgage Payment Verification Requirement

Homeownership participants receiving monthly HAP assistance must verify quarterly mortgage payments were submitted to the mortgage servicer.

- (1)A mortgage payment statement from the mortgage servicer must be submitted each year by the family as specified by MHA within the following months: March, June, September and December.
- (2)Mortgage statement documentation must be an official document provided by the mortgage servicer.

Mortgage payments paid late (after the 15th of the month) - Documentation of three mortgage payments paid late within a 12-month period will result in termination from the HCV program.

Mortgage payment not paid - Documentation of one mortgage payment not paid (missed payment) by the family will result in termination from the HCV program.

APPLICATION PROCESS

~~Applicants may contact the HCV Program Administrator or a Housing Specialist to receive information about HCV Homeownership Program and a *Homeownership Application*.~~

Application Form

~~An applicant must complete and submit the *Homeownership Application* to the HCV Program Administrator for review. The application includes information on income, assets, obligations, and family composition.~~

Application Attachments

- ~~1. Documentation of attendance at an MHA HomeChoice Pre Purchase Housing Seminar. City Neighborhood Housing Services and Town Neighborhood Housing Services are partner agencies and will be available to provide one to one counseling services specifically targeted for home buyers. A certificate of attendance for HomeChoice must be attached to the pre-qualification application.~~
- ~~2. A current bank statement verifying \$1,000 in savings designated toward the one percent (1%) of personal funds down payment requirement. Applicants must document a three percent (3%) down payment with the mortgage lender prior to closing.~~
- ~~3. An MHA *Employment Verification* form.~~
- ~~1. A signed *Homeownership Landlord Verification* form. 1. If applicable, a verification of disability, if not on file.~~
- ~~2. The applicant must document household composition for all individuals who will reside in the household.~~

APPLICATION REVIEW

~~Upon receipt of a HCV *Homeownership Application*, the HCV Program Administrator determines whether an applicant meets the eligibility criteria for the program. The application review will include:~~

- ~~1. Evaluation of family composition and HCV rental status. 2. Review of income, savings, and disability documentation.~~
- ~~3. Verification that the applicant is in compliance with all lease provisions using MHA *Landlord Reference* form.~~
- ~~4. Evaluation of employment history.~~

~~All documentation is subject to independent verification by MHA program staff. The Program Administrator will review the file for discrepancies or omissions. If, at any time throughout~~

~~the process, the Program Administrator sees a discrepancy in reported income, assets, or family share, he/she shall report it to the Housing Program Specialist (HPS). The HPS shall perform an interim reexamination, resolve whether further action is necessary, and report the outcome to the Program Administrator.~~

- ~~• If in the course of a loan application, a loan originator, or other third party, document income not previously reported to MHA, MHA will conduct an interim reexamination of income. Should the reexamination result in a debt or proposed repayment agreement, MHA shall retain sole discretion to withdraw the *Certificate of Eligibility* subject to the outcome of any grievance procedure related to the income discrepancy. The participant family must remain on the HCV program for an additional year, in good standing, before MHA may re-issue a *Certificate of Eligibility*.~~

~~DETERMINING "MORTGAGE READY" APPLICANTS~~

~~Applications for homeownership are date stamped. Complete applications—those with all necessary attachments in place—are placed on a waiting list in order of date and time received.~~

~~A *Certificate of Eligibility* is awarded on a first come, first served, basis after a participant is determined eligible and "mortgage ready."~~

~~The *Certificate* contains an estimate of the amount of HAP available to the family. This estimate is useful to the applicant and lender when determining the housing and debt ratios.~~

~~Incomplete Applications~~

~~Incomplete applications will not be reviewed and will be returned to applicants for completion. A checklist of application deficiencies will be attached to the incomplete application. Participants must correct all deficiencies noted on the checklist and resubmit the checklist, complete application, and attachments, for additional consideration. Applications that are returned for incompleteness will be re-stamped and dated when they are returned complete.~~

~~Homeownership Counseling~~

~~MHA will provide homeownership counseling prior to application, after a *Certificate of Eligibility* is issued, and post purchase counseling. An HCV applicant must attend and satisfactorily complete MHA *HomeChoice* counseling program. The counseling program covers the topics listed below. Applicants who MHA determines are not yet "mortgage ready" may be required to obtain additional information/counseling on any of the following issues:~~

- ~~1. Is homeownership right for you?~~
- ~~2. Special needs of disabled home buyers/fair housing issues;~~
- ~~3. Budgeting and money management;~~
- ~~4. Credit counseling;~~
- ~~5. How to negotiate the purchase price of a home;~~

- ~~6. How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;~~
- ~~7. How to find a home, including information about homeownership opportunities, schools, and transportation services in the area;~~
- ~~8. Information about the Real Estate Procedures Act, State and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions;~~
- ~~9. Home maintenance;~~
- ~~10. Taxes, proration of taxes if assisted by the program;~~
- ~~11. Inspection criteria, HQS requirements, special requirements in the contract for sale;~~
- ~~12. Voucher, eligibility, and continuous eligibility requirements;~~
- ~~13. Post purchase counseling.~~

CERTIFICATE OF ELIGIBILITY

~~MHA shall use a priority mechanism to ensure a fair and equitable selection of new applicants. Upon securing a sufficient number of applicants to ensure full utilization of the program, MHA shall resort to its traditional use of priority and then date and time of application.~~

~~_____ The priority is established with Board of Directors' approval and is limited to the initial _____ admissions process. A sufficient window of opportunity shall exist to ensure equal representation of eligible applicants within the priority pool.~~

~~Priority will be given in the following order:~~

- ~~1. Families that have graduated from the FSS program and meet the HCV HO eligibility requirements~~
- ~~2. Families that have verified that they meet the eligibility requirements and are acceptable for lender/loan requirements by a qualified lender with qualified loan products~~
- ~~3. All other eligible families~~
- ~~4. Other families that are participating to achieve eligibility~~

~~If the HCV Program Administrator determines that a family meets minimum eligibility criteria, he/she may issue a Certificate of Eligibility to enable the applicant to shop for a home purchase. The Program Administrator will deliver the Certificate of Eligibility and a copy of the Homeownership Application to the participant. These documents will assist the applicant in determining the maximum sales price and loan amount in the pre-qualification process in conjunction with their lender.~~

~~Whenever an opening occurs in the program, MHA will select the next available applicant for an intake interview. The Program Administrator will interview the applicant to ensure that all the information contained in their Homeownership Application is current and that the applicant is eligible for homeownership.~~

~~The issuance of a Certificate of Eligibility does not guarantee that a participant will have the ability to secure a homeownership loan. Other considerations such as the housing market, an~~

~~applicant's credit history, total indebtedness, and current income will be factors that will determine a participant's ability to secure a home mortgage. All participants will qualify independently through a mortgage lender of their choice.~~

~~Changes in Family Size or Composition~~

~~All changes in family composition must be reported prior to the change to the Housing Program Specialist and the HCV Homeownership Program Administrator. The Certificate of Eligibility will reflect the applicable subsidy standard MHA assigns to the family based upon the family's size and composition.~~

~~Changes in the Payment Standards~~

~~The payment standard applicable on the date of closing establishes the baseline payment standard for the unit. If the payment standard changes after an offer to purchase has been made, but prior to closing, the payment standard applicable on the date of closing applies. MHA will reissue a revised Certificate of Eligibility effective on the effective date of the new payment standard.~~

~~Occasionally, a buyer and seller may execute an Earnest Money Agreement prior to a decrease in payment standard, with the closing taking place after the effective date of a decreased payment standard. For families whose head of household, spouse or co-tenant experiences permanent disability, MHA may request HUD approval to use the payment standard in effect on the date the Earnest Money Agreement was fully executed if the new, decreased, payment standard would jeopardize the sales agreement. This may only occur as a reasonable accommodation to a disabled household.~~

~~15-VII.D. ELIGIBLE UNITS [24 CFR 982.628]~~

~~In order for a unit to be eligible, the PHA must determine that the unit satisfies all of the following requirements:~~

- ~~16) — The unit must meet HUD's "eligible housing" requirements. The unit may not be any of the following:
 - ~~1. A public housing or Indian housing unit;~~
 - ~~2. A unit receiving Section 8 project-based assistance;~~
 - ~~3. A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;~~
 - ~~4. A college or other school dormitory;~~
 - ~~5. On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.~~~~
- ~~17) — The unit must be under construction or already exist at the time the family enters into the contract of sale.~~
- ~~18) — The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.~~
- ~~19) — The unit must have been inspected by the PHA and by an independent~~

~~inspector designated by the family.~~

~~20) — The unit must meet Housing Quality Standards (see Chapter 8).~~

~~21) — For a unit where the family will not own fee title to the real property (such as a manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.~~

~~22) — For PHA owned units all of the following conditions must be satisfied:~~

- ~~1. The PHA informs the family, both orally and in writing, that the family has the right to purchase any eligible unit and a PHA owned unit is freely selected by the family without PHA pressure or steering;~~
- ~~2. The unit is not ineligible housing;~~
- ~~3. The PHA obtains the services of an independent agency to inspect the unit for compliance with HQS, review the independent inspection report, review the contract of sale, determine the reasonableness of the sales price and any PHA provided financing. All of these actions must be completed in accordance with program requirements.~~

~~MHA must not approve the unit if MHA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.~~

~~If the family does not own fee title to the real property on which the home is located, the family must have the right to occupy the site for a period of at least forty (40) years and the home must have a permanent foundation.~~

~~A Unit can be under construction at the time a family enters into the contract of sale. A unit is considered to be "under construction" if the footers have been poured. MHA will not commence Housing Assistance Payments until the unit has satisfactorily passed an HQS and independent inspections and meet all other program requirements.~~

~~For MHA owned units all of the following conditions must be satisfied:~~

- ~~• MHA informs the family, both orally and in writing, that the family has the right to purchase any eligible unit and a MHA owned unit is freely selected by the family without MHA pressure or steering;~~
- ~~• The unit is an eligible housing unit;~~
- ~~• MHA obtains the services of an independent agency to inspect the unit for compliance with HQS, review the independent inspection report, review the contract of sale, determine the reasonableness of the sales price and any MHA provided financing. All of these actions must be completed in accordance with program requirements. MHA will obtain the services of a neighboring PHA or other independent HCV administering agency to perform these services, so long as the independent agency is operating a HCV Program.~~

~~For units not yet under construction. Families may enter into contracts of sale for units not yet under construction at the time the family enters into the contract for sale. However, the PHA~~

shall not commence homeownership assistance for the family for that unit, unless and until:

~~(1) Either:~~

~~(i) The responsible entity completed the environmental review procedures required by 24 CFR part 58, and HUD approved the environmental certification and request for release of funds prior to commencement of construction; or~~

~~(ii) HUD performed an environmental review under 24 CFR part 50 and notified the PHA in writing of environmental approval of the site prior to commencement of construction;~~

~~(2) Construction of the unit has been completed; and~~

~~(3) The unit has passed the required Housing Quality Standards (HQS) inspection and independent inspection.~~

~~15-VII.E. ADDITIONAL MHA REQUIREMENTS FOR SEARCH AND PURCHASE [24 CFR 982.629]~~

~~It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. MHA may establish the maximum time that will be allowed for a family to locate and purchase a home, and may require the family to report on their progress in finding and purchasing a home. If the family is unable to purchase a home within the maximum time established by MHA, MHA may provide additional time for the family to search. Documentation requesting the additional time must be provided by the family.~~

~~At the time the Certificate of Eligibility is issued, the family is placed in "home shopping status." The family has 180 days to locate and make an offer on a home, and secure a prequalification letter from their lender. The Program Administrator may recommend three additional 30 day extensions not to exceed a total of 270 home shopping days.~~

~~During a participant's search for a home, their housing choice voucher rental assistance shall continue. The participant family remains subject to all applicable rules and regulations.~~

~~Applicants must submit housing choice progress reports every 30 days to document progress toward homeownership.~~

~~Six progress reports will be included with the Certificate. If a participant family is unable to locate and purchase a home within the timeframe approved by MHA, the family may continue to receive rental assistance through their Housing Choice Voucher.~~

~~The family may not re-apply for the Homeownership Program until they have completed an additional full year of participation in the rental program following the expiration date of the Certificate of Eligibility.~~

~~MHA may require additional homeownership counseling prior to issuance of a second Certificate of Eligibility. The participant must meet all other eligibility criteria of the program at the time of resubmission.~~

MHA POLICY

~~All requests for extensions must be submitted in writing to MHA prior to the expiration of the period for which the extension is being requested. MHA will approve or disapprove the extension request within 10 business days. The family will be notified of MHA 's decision in writing.~~

~~If the participant family cannot complete the purchase of a unit within the maximum required time frame, and is not receiving rental assistance under a HAP contract at the time the search and purchase time period expires, the family will be allowed to lease a unit and remain in the rental program, so long as they are still in good standing with the program.~~

~~Following the purchase, MHA will conduct an HQS inspection to determine if reasonable accommodations still exists or if there is a complaint, or reason to believe that the unit is not HQS compliant or resident is compliance with the program.~~

15-VILF. HOMEOWNERSHIP COUNSELING [24 CFR 982.630]

~~Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre assistance homeownership and housing counseling program required by MHA. MHA or its counseling partner will required as a minimum the following pre-assistance counseling program:~~

- ~~23) Home maintenance (including care of the grounds);~~
- ~~24) Budgeting and money management;~~
- ~~25) Credit counseling;~~
- ~~26) How to negotiate the purchase price of a home;~~
- ~~27) How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;~~
- ~~28) How to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction;~~
- ~~29) Advantages of purchasing a home in an area that does not have a high concentration of low income families and how to locate homes in such areas;~~
- ~~30) Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and~~
- ~~31) Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) (RESPA), state and Federal truth in lending laws, and how to identify and avoid loans with oppressive terms and conditions.~~

~~MHA will adapt the subjects covered in pre-assistance counseling (as listed) to local circumstances and the needs of individual families. MHA will further require families to attend one-on-one counseling to make sure they understand the obligations and are fully prepared to~~

become homeowners.

MHA or its counseling partner will offer additional counseling after commencement of homeownership assistance (ongoing counseling). This is part of the program and attendance remains a participant's obligation in order to continue to be assisted by MHA.

If MHA does not use a HUD approved housing counseling agency to provide the counseling, MHA will ensure that its counseling program is consistent with the counseling provided under HUD's Housing Counseling program.

MHA POLICY

MHA will require all families to attend and complete post purchase ongoing homeownership - counseling.

All families wishing to participate in the Homeownership Program must complete a minimum of the regular eight hours of pre-purchase homeownership counseling and any individually required counseling sessions.

15-VII.G. HOME INSPECTIONS, CONTRACT OF SALE, AND PHA DISAPPROVAL - OF SELLER [24 CFR 982.631]

Home Inspections

The PHA may not commence monthly homeownership assistance payments or provide down payment assistance grants for a family until the PHA has inspected the unit and has determined that the unit passes HQS.

HUD regulations require a home inspection by an approved independent, professional home inspector. The family is required to select and pay for a home inspector to identify any physical defects and determine the condition of the major building systems and components.

The buyer and MHA must receive a written report of this examination describing the observable major defects, required repairs and/or accessibility modification requirements.

The inspector shall also be acceptable to the local lending institutions. In all cases the inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical and heating systems. The unit must pass a termite or wood destroying organism report and any other requirements as determined by the State.

The independent inspector may not be a MHA employee or contractor, or other person under control of MHA. However, MHA has established standards for qualification of inspectors selected by families under the homeownership program.

~~MHA and the family will discuss the results of the inspection and determine if any pre-purchase repairs are necessary. MHA may disapprove the unit for purchase based on the results of the independent or HQS inspection.~~

MHA POLICY

~~When a family locates a home they wish to purchase and submits a copy of their purchase offer/contract, MHA will conduct a housing quality standards (HQS) inspection within 10 business days. Any items found not to meet HQS must be repaired before the unit can be determined eligible for the homeownership program and before the closing date.~~

~~MHA will also require a home inspection as required by HUD. The family must hire an independent professional inspector, whose report must be submitted to MHA for review. The inspector must be a member of the American Society of Home Inspectors (ASHI) or other recognized professional society, or a licensed engineer, or a standard that is readily accepted by the local lending community that is participating in the HCV Homeownership Program. The inspector may not be a MHA employee.~~

~~MHA will review the professional report in 5 days and based on the presence of major physical problems, MHA may disapprove the purchase of the home. If MHA disapproves the purchase of a home, the family will be notified in writing of the reasons for the disapproval.~~

CONTRACT OF SALE

~~Eligible homes must be located within the boundaries of the HCV Program. The seller cannot be an individual, company, or corporation who has been debarred, suspended, or is subject to a limited denial of participation by HUD or MHA. MHA may deny approval of a seller for any reason provided for disapproval of an owner under the voucher rental program regulations.~~

~~Before commencement of homeownership assistance, the homeownership applicant must enter into a contract of sale, or earnest money agreement, with the home seller.~~

- ~~• MHA will provide the buyer with an *Addendum to the Residential Purchase Agreement*. Both the buyer and seller must execute the earnest money agreement and *Addendum*.~~

~~The *Addendum to the Residential Purchase Agreement* shall contain the following provisions:~~

- ~~1. Specify price and other terms of sale by the seller to the purchaser.~~
- ~~2. Provide that the purchaser will arrange for a pre purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.~~
- ~~3. Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser and MHA.~~
- ~~4. Provide that the purchaser is not obligated to pay for any necessary repairs.~~
- ~~5. Specify that an HQS inspector be granted access to the property to perform an~~

~~HQS inspection prior to closing. Homeownership assistance is contingent on satisfactory inspections by both inspectors and subject to approval by MHA.~~

- ~~6. Specify that the seller has not been debarred, suspended, or subject to a limited denial of participation in a HUD program under 24 CFR.~~
- ~~7. Specify that before Buyer is obligated under any contract to purchase Property, Seller shall permit Buyer a 10 day period (unless the parties mutually agree, in writing, upon a different period of time) to conduct a risk assessment or inspection for the presence of lead based paint and/or lead based paint hazards. Buyer may waive the opportunity to conduct the risk assessment or inspection by so indicating in writing.~~

~~The Addendum to the Residential Purchase Agreement shall contain the following provisions if the unit is not yet constructed:~~

- ~~1. The purchaser is not obligated to purchase the unit unless an environmental review has been performed and the site has received environmental approval prior to commencement of construction in accordance with 24 CFR 982.628.~~
- ~~2. The construction will not commence until the environmental review has been completed and the seller has received written notice from the PHA that environmental approval has been obtained. Conduct of the environmental review may not necessarily result in environmental approval, and environmental approval may be conditioned on the contracting parties' agreement to modifications to the unit design or to mitigation actions.~~

~~Commencement of construction in violation of either of the above two provisions voids the purchase contract and renders homeownership assistance under 24 CFR part 982 unavailable for purchase of the unit.~~

Disapproval of a Seller

~~In its administrative discretion, MHA may deny approval of a seller for the same reasons a PHA may disapprove an owner under the regular HCV program [see 24 CFR 982.306(c)].~~

15-VII.H. FINANCING [24 CFR 982.632]

~~It is the responsibility of the family to secure financing for the home purchase. The issuance of the Certificate of Eligibility does not guarantee that a family has the ability to secure financing for a home purchase. The Program Administrator and/or partner agencies will provide guidance to potential home buyers to ensure they avail themselves of various down payment assistance programs, optimum loan packages, mortgage interest rates, and ways to avoid predatory lending practices.~~

~~MHA demonstrates its capacity to administer the HCV Homeownership program by requiring the financing to purchase a home either be provided, insured, or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.~~

Down Payment Requirement

~~The purchasing family is required to invest at least three percent (3%) of the purchase price of the home. This investment can take the form of a down payment, closing costs, or a combination of the two. Of this sum, at least one percent (1%) of the purchase price must come from the family's personal resources.~~

~~If the family is an FSS graduate, the FSS escrow may be used to meet 50% of the down-payment and closing costs contribution requirements established by MHA.~~

~~The buyer may acquire financing through any MHA approved lender. If the home is purchased using FHA mortgage insurance, it is subject to FHA mortgage insurance requirements.~~

~~Qualified participants may use the value of rental assistance as a form of "income" to help them qualify for a mortgage. Their assistance may be applied directly against their mortgage payment, therefore enabling a borrower to qualify for a home purchase.~~

~~There is no prohibition against using local/state grants or other subsidized financing in conjunction with the Housing Choice Voucher Homeownership Program. The program can be combined with a variety of mortgage loan products and other HUD programs to assist a potential home buyer in achieving the most favorable interest rate and terms of purchase.~~

Lending Partners

~~MHA may not influence a family's choice of lending options by limiting the use of homeownership assistance to particular units, neighborhoods, developers, lenders or require a family to use a set financing approach. However, HUD encourages MHA to develop partnerships with lenders to better serve the needs of families. MHA will counsel the family to avoid predatory lenders or lending practices. MHA will honor any financing package that arises from any lending product approved by the FHA.~~

Underwriting Options

~~The following underwriting options are suggested under this program. The lender will~~

~~decide upon the option based upon income and borrower qualifications determined on a case-by-case basis by the lender, and dependent upon the specific loan products utilized.~~

~~Option One: Deduct HAP from Principal, Interest, Taxes & Insurance (PITI)~~

~~The borrower's HAP is applied directly to the PITI, and the housing debt to income ratio is calculated on the "net housing obligation" of the borrower.~~

~~Option Two: Add HAP to Borrower's Income~~

~~Calculate total income as a combination of the tax exempt HAP (grossed up by 25%) and the borrower's income from employment using underwriting ratios specific to the loan product being used.~~

~~□ Option Three: Two Mortgage Approach~~

~~Borrower qualifies for the first mortgage (PITI) using only earned income. The HAP is used to pay the full P&I for a second mortgage.~~

~~Loan Restrictions~~

~~Mortgages with balloon payments, interest only, or variable interest rates are not allowed under SRA's program. The buyer may not enter into a seller financing or lease purchase agreement under this program.~~

~~MHA reserves the right to review lender qualifications and the loan terms before authorizing homeownership assistance. MHA may disapprove proposed financing of the debt if MHA determines that the debt is unaffordable. In making this determination, MHA will take into account family expenses such as child care, un-reimbursed medical expenses, homeownership expenses, and other family expenses, in addition to the participant's income. Independent of the lender's requirements, MHA has established a criteria that the family cannot have a family share in excess of 45% of the monthly adjusted income at the time of the initial closing.~~

~~MHA must approve any proposed refinancing of the property. MHA staff will review all requests for refinancing.~~

- ~~□ Refinancing the property, without prior written approval from MHA, may result in termination of the HCV Homeownership assistance.~~

~~In making its determination, MHA will take into account the reason(s) for the request to refinance, as well as the current assets and liabilities of the family, and how the refinancing will impact the total tenant payment. Homeownership assistance may continue if refinancing is approved, but will be limited to the remaining term based on the initial mortgage loan.~~

~~MHA has established requirements for financing purchase of a home under the homeownership option. This may include requirements concerning qualification of lenders, terms of financing, restrictions concerning debt secured by the home, lender qualifications, loan terms, and affordability of the debt.~~

~~MHA POLICY~~

~~As a check against predatory lending, MHA will review the financing and refinancing of each purchase transaction, including estimated closing cost. MHA will not approve loans for features, such as balloon payments, adjustable rate mortgages, and unusually high interest rates. MHA will not approve any loans that contain predatory practices. MHA also will not approve "seller financing" or "owner held" mortgages. Beyond these basic criteria, MHA will rely on the lenders or the secondary market to determine the loan that will be affordable to program participants.~~

~~**15-VIII. CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS [24 CFR 982.633]**~~

~~Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the PHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the PHA the homeownership assistance for the month when the family moves out.~~

~~Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.~~

~~**Continuous Reporting Requirements**~~

~~MHA will reexamine the family's income and composition on an annual basis.~~

~~After purchase of the home, the family must continue to adhere to the "HUD Statement of Homeowner Obligations" and MHA *Statement of Family Obligations* in order to continue to receive the monthly housing assistance payment. MHA *Statement of Family Obligations* will be reviewed by the family and signed at each annual reexamination.~~

~~A new *Certificate of Housing Assistance Payment* must be issued prior to any change in the housing assistance payment. Non elderly and non disabled families are required to annually document continued compliance with the full time work requirement of the program by annual completion of the *Homeownership Work Certification*.~~

~~A family must disclose all changes in income within thirty (30) business days of the change and at the annual reexamination. Failure to disclose or accurately report changes will jeopardize a family's continued participation in this program. A family may not add an adult household member without prior MHA approval. MHA will deny admission to any individual who would otherwise not qualify for admission to the program due to criminal history, drug related history, or registry on a sex offender list.~~

~~Participant must agree to attend post purchase counseling sessions in conjunction with acceptance into this program to continue to receive assistance. MHA may require families who become delinquent on their mortgage payments to participate in additional homeownership and/or credit counseling classes.~~

~~MHA may deny or terminate assistance for violation of participant obligations as described in the "HUD Statement of Homeowner Obligations", MHA *Statement of Family Obligations*, or other program obligations.~~

~~**Continuous Employment Obligations**~~

- ~~The applicant head of household or spouse must remain continuously employed (no less than 30 hours per week) while participating in the program.~~
- ~~Part time employment by both parties, totaling over 30 hours per week, does not constitute full time employment by either party.~~

~~**Mitigating Circumstances**~~

~~If a working family is subsequently determined by MHA to now qualify as a "disabled~~

~~family," as defined by HUD, the full-time employment requirement is no longer applicable to that family.~~

~~MHA will consider mitigating circumstances where certain lapses in employment prohibit the family from meeting its continuous employment obligation. These include receipt of Unemployment Insurance Benefits due to layoff; absences defined under the Family Medical Leave Act; receipt of Workman's Compensation benefits.~~

~~MHA will allow week for week substitutions whenever of any of these benefits are received.~~

~~The participant must return to full-time employment within 30 days after exhaustion of unemployment benefits. Failure to return to full-time employment (30 hours per week) within 30 days will generate a 60-day *Notice to Correct*. Failure to correct will result in a correctable 30-day *Notice of Termination*.~~

~~A participant who is employed but is on leave from work due to maternity leave, FMLA or is receiving Workman's Compensation, is exempt from the full-time employment requirement during the period of approved leave from work. A participant must return to full-time employment within 30 days after exhaustion of applicable benefits. Willful failure to return to full-time employment (30 hours per week), after 30 days, will generate a 60-day *Notice to Correct*. Failure to correct will result in a correctable 30-day *Notice of Termination*.~~

~~Consideration of other mitigating circumstances is at the discretion of a local Area Coordinator recommendation to the HCV Program Administrator. The Program Administrator will review any additional mitigating circumstances that prevent a participant's return to full-time employment within the time frames allotted. Determinations of the review are made on a case-by-case basis. The decisions are subject to final approval by the Director.~~

~~**Guests and Changes in Family Composition**~~

~~All changes in family composition must be reported to the Housing Program Specialist. All new family members must be approved as eligible residents before moving into the residence. Family guests are permitted for a period not to exceed 30 days in any calendar year. MHA may consider persons who exceed the 30-day occupancy limit, or who use the residence as a personal mailing address, unauthorized family members. The family may be in violation of their family obligations and MHA may take appropriate action up to and including termination of assistance.~~

~~The family must also comply with the following obligations:~~

- ~~32) The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.~~
- ~~33) The family may not convey or transfer ownership of the home, except for~~

~~purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to 24 CFR 982.551 (h) and (i).~~

- ~~34) The family must supply information to the PHA or HUD as specified in 24 CFR 982.551(b).~~
- ~~35) The family must, at annual reexamination, document that the family is current on mortgage, insurance, escrow accounts, repair reserve account, and utility payments.
 - ~~•The family must further supply any information required by the PHA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.~~~~
- ~~36) The family must notify the PHA before moving out of the home.~~
- ~~37) The family is prohibited from moving more than one time in a one (1) year period. The family may be required to participate in pre and post purchase homeownership counseling prior to re-housing.~~
- ~~38) The family must notify the PHA if the family defaults on the mortgage used to purchase the home.~~
- ~~39) No family member may have any ownership interest in any other residential property.~~
- ~~40) The family must comply with the obligations of a participant family described in 24 CFR 982.551, except for the following provisions which do not apply to assistance under the homeownership option: 24 CFR 982.551(e), (d), (e), (f), (g) and (j).~~
- ~~41) Agree to maintain the condition of the home to comply with minimum HUD Housing Quality Standards (HQS).~~
- ~~42) Acknowledge that the termination of assistance shall be in accordance with program requirements and the Administrative Plan.~~
- ~~43) Acknowledge that the family is obligated for the whole mortgage payment in the event of termination of assistance.~~
- ~~44) Disclose any and all changes of family composition and family income immediately to MHA.~~
- ~~45) Agree that the family must immediately notify MHA of any late payment, delinquency notices, or default notices and must agree to participate in default counseling with a designated agency to become current.~~
- ~~46) Agree to attend any identified financial, homeowner or post purchase~~

~~counseling during time of assistance.~~

- ~~47) MHA requires the family to maintain a minimum reserve for maintenance and major repairs. The minimum reserve shall be equal to the monthly reserve amounts times the number of months assisted as a homeowner less any MHA approved withdraws.~~

~~Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, MHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to MHA the HCV homeownership assistance for the month when the family moves out.~~

~~**15-VII.J. MAXIMUM TERM OF HOMEOWNER ASSISTANCE [24 CFR 982.634]**~~

~~Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:~~

- ~~1) Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or~~

~~Ten years, in all other cases.~~

~~The maximum term described above applies to any member of the family who:~~

- ~~48) Has an ownership interest in the unit during the time that homeownership payments are made; or~~
- ~~49) Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.~~

~~In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.~~

~~If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).~~

~~If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.~~

~~Upon the death of a family member who holds, in whole or in part, title to the home, homeownership assistance may continue, pending settlement of the decedent's estate. The home must be solely occupied by remaining family members in accordance with 24 CFR 982.551(h).~~

~~For a nonelderly/nondisabled family, the total homeownership assistance received by a family, whether on different homes or through different public housing agencies, cannot exceed the eligible term of assistance based on the of the initial mortgage loan. If the family~~

~~has received such assistance for different homes, or from different MHA, the total of such assistance terms is subject to the maximum term described in this part.~~

15-VII.KN. HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES [24 CFR 982.635]

~~The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.~~

The family is responsible for all monthly homeownership expenses not reimbursed by the housing assistance payment. ~~Homeownership expenses include:~~

- ~~principal and interest on the initial mortgage debt and any refinancing of such debt;~~
- ~~any mortgage insurance premium incurred to finance the purchase of the home;~~
- ~~real estate taxes and public assessments on the home;~~
- ~~home insurance;~~
- ~~cooperative or condominium operating charges or maintenance fees assessed by the condominium or cooperative homeowner association;~~
- ~~the land lease for land where the home is located;~~
- ~~MHA allowance for maintenance expenses;~~
- ~~MHA allowance for costs of major repairs and replacements;~~
- ~~MHA utility allowance for the home; and~~
- ~~principal and interest on debt incurred to finance major repairs, replacements or improvements on the home.~~

~~For an individual with disabilities, such debt may include those costs incurred by the family to make the home accessible.~~

MHA POLICY

MHA housing assistance payments will be paid by one of the following methods:

- ~~1) will be paid Payments are deposited in directly to the family or to an account set up for the participant's mortgage payments. The lender will have access to collect the payment once a month. to the lender, if required by the lender. If paid to the family, it will be the family's responsibility to make the entire payments to the lender.~~
- ~~1) Payments are paid directly to the lender. MHA may make the exception if the family requests the payment to go directly to the lender, and this arrangement is acceptable to the mortgage company. If the assistance payment exceeds the amount due to the lender, MHA must pay the excess directly to the family. The family, at its option, can also place these funds in an escrow account that can be used for repairs or other homeownership expenses.~~
- 2)

~~Monthly maintenance allowance: The monthly maintenance allowance will be the annual~~

~~maintenance allowance, divided by twelve. The annual maintenance allowance will be set at \$600 at this time, subject to future adjustments.~~

~~Monthly major repair/replacement allowance: The monthly major repair/replacement allowance will be the annual major repair/replacement allowance divided by 12. The annual major repair/replacement allowance will be set at \$600 at this time, subject to future adjustments.~~

~~Homeownership expenses for a cooperative member may only include amounts allowed by the PHA to cover:~~

- ~~50) The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;~~
- ~~51) Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;~~
- ~~52) Home insurance;~~
- ~~53) MHA allowance for maintenance expenses;~~
- ~~54) MHA allowance for costs of major repairs and replacements;~~
- ~~55) MHA utility allowance for the home; and~~
- ~~56) Principal and interest on debt incurred to finance 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 finance costs needed to make the home accessible for such person, if MHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.~~
- ~~57) Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.~~

~~15-VIII. PORTABILITY [24 CFR 982.636, 982.637, 982.353(b) and (c), 982.552, 982.553]~~

~~MHA will permit portability of HCV homeownership assistance to another jurisdiction subject to MHA policies governing portability. The receiving jurisdiction must operate a HCV Homeownership Program for which the applicant qualifies and it must be willing to administer new homeownership families. In order to remain eligible for the program, the participant must sell the current home purchased under the HCV Homeownership Program and incur no mortgage default.~~

~~MHA will also accept families from another HCV Homeownership Program subject to MHA admission requirements for the homeownership program. It will administer the voucher if approved for homeownership.~~

~~Subject to the restrictions on portability included in HUD regulations and MHA policies, a~~

~~family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program, or bill the initial PHA.~~

~~The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.~~

~~15-VII.M. MOVING WITH CONTINUED ASSISTANCE [24 CFR 982.637]~~

~~A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.~~

~~MHA will deny permission to move to a new unit with continued voucher assistance as follows:~~

- ~~58) Lack of funding to provide continued assistance.~~
- ~~59) At any time, MHA may deny permission to move with continued rental or homeownership assistance in accordance with 24 CFR 982.638, regarding denial or termination of assistance.~~
- ~~60) In accordance with MHA's policy regarding number of moves within a 12-month period.~~

~~MHA must deny the family permission to move to a new unit with continued voucher rental assistance if:~~

- ~~61) The family defaulted on an FHA-insured mortgage; and~~
- ~~62) The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.~~

MHA POLICY

~~For families participating in the homeownership option, requests to move will be approved and/or denied in accordance with MHA policies stated in Chapter 12.~~

~~MHA will not require additional counseling of any families who move with continued assistance.~~

~~15-VII.N. DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.638]~~

~~A family's homeownership assistance may be terminated if a family fails to comply with its obligations under the HCV Homeownership Program or if the family defaults on the mortgage.~~

~~Failure to Comply with Homeowner Obligations~~

~~The family must comply with the terms of any mortgage incurred to purchase and/or refinance the home. The family must provide MHA with written notice of any sale or transfer of any interest in the home; any plan to move out of the home prior to the move; notification of the family's household composition and income and homeownership expenses on an annual basis; and any notice of mortgage default received by the family. Except as otherwise specified in this plan, the family may not convey or transfer the home to any entity or person.~~

~~Homeownership assistance may be denied or terminated in accordance with any of the provisions listed at 24CFR 982.638 and/or MHA requirements.~~

~~Occupancy of Home~~

~~Homeownership assistance will only be provided while the family resides in the home. If the family moves out of the home, MHA will not continue homeownership assistance commencing with the month after the family moves out. Neither the family nor the lender is obligated to reimburse MHA for homeownership assistance paid for the month the family moves out.~~

~~Family Requests a Return to Rental Assistance~~

~~If a family requests to return to rental assistance, MHA may provide the family with a rental voucher, provided there is no mortgage loan default and the family has met all obligations under the HCV Program. The family must sell the home before MHA provides rental assistance.~~

~~At any time, MHA may deny or terminate homeownership assistance in accordance with HCV program requirements in 24 CFR 982.552 (Grounds for denial or termination of assistance) or 24 CFR 982.553 (Crime by family members).~~

~~MHA may also deny or terminate assistance for violation of participant obligations described in 24 CFR Parts 982.551 or 982.633. MHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.~~

~~MHA POLICY~~

~~MHA will terminate a family's homeownership assistance if the family violates any of the homeowner obligations, as well as for any of the reasons listed in the Statement of Homeownership Obligation Housing Choice Voucher Homeownership Program.~~

~~In making its decision to terminate homeownership assistance, MHA will consider alternatives as described in Section 12-1C and other factors described in Section 12-1D. Upon consideration of such alternatives and factors, MHA may, on a case-by-case basis, choose not to terminate assistance.~~

~~Termination notices will be sent in accordance with the requirements and policies set forth~~

~~in Section 12-HE.~~

~~**15-VII.OO. DEFAULT**~~

~~If a family defaults on a mortgage, MHA may permit the family to move with continued assistance. The family must demonstrate that it has conveyed title of the home to the lender, or its designee, and moved from the home within the period established and approved by the lender and MHA [CFR 24 982.638(d)]. Any decision to approve or deny rental assistance is based on HCV rental program policies and procedures addressed in MHA Administrative Plan.~~

~~A family is ineligible for future homeownership assistance.~~

MHA POLICY

If the family defaults on the home mortgage loan, the participant will not be able to use the homeownership voucher for rental housing but may reapply for the Section 8 waiting list, if the waiting list is open.

~~**15-VII.P.RECAPTURE**~~

~~MHA Policy~~

~~By regulation, MHA cannot recapture any of the HCV Homeownership assistance, unless there is an act of fraud or misrepresentation of a material fact. The HCV Homeownership recapture provision does not apply to any other program funds that may be used in the transaction.~~

~~**15-VII.Q.INFORMAL HEARING [24CFR982.555]**~~

~~An informal hearing will be provided for participants who are being terminated from the Program because of the family's action or failure to act as provided in 24 CFR 982.552. The rules and procedures set forth in the Administrative Plan, entitled "Informal Hearings", will apply.~~

TAB – Element B.2

Section 8 Project-Based Program Addendum

Attachment 8

**Little Rock Housing Authority
FY 2018
Plan Elements**

Element B

B.2

Hope VI or Choice Neighborhoods. (No Revisions)

N/A

Mixed Finance Modernization or Development.

In February of 2015, MHA received a portfolio-wide Rental Assistance Demonstration (“RAD”) award and Commitment to Enter into Housing Assistance Payments (“CHAP”) letters for nine MHA properties. MHA plans to seek RAD approval on Sunset Terrace. Sunset Terrace would be MHA’s tenth RAD conversion. RAD allows public housing agencies (PHAs) and owners of HUD-assisted properties to convert units to project-based Section 8 programs and provides an opportunity to leverage private debt and equity to make capital improvements. It is the intent of the MHA to modernize and develop various housing types within the RAD program and beyond during this PHA Plan period. We will utilize techniques of the mixed finance model, as applicable. Where not applicable, the traditional development model will be used.

Demolition and/or Disposition.

At this time there are no ongoing discussions of planned demolition/disposition of PHA property. If the PHA should elect to do so; this will not be considered a significant deviation from the plan. Sunset Terrace is under study as part of the CNI plan as well as consideration for RAD. If current plans for the redevelopment of Sunset Terrace are determined to be non-feasible during this PHA Plan period, MHA will update this PHA Plan as the decisions are made.

Designated Housing for Elderly and Disabled Families. (No Revisions)

Development Name & Number	Designation Type	Application Status	Date Designation Approved	Number of Units Affected
Fred Parris Towers/ AR004-009	Elderly and near elderly	Application approved	August 2009	250
Cumberland Towers/ AR004-010	Elderly and near elderly	Application approved	August 2009	178

Conversion of Public Housing to Tenant-Based Assistance.

N/A

Conversion of Public Housing to Project-Based Assistance under RAD.

MHA has initiated RAD activities toward the conversion of nine RAD projects noted below. MHA will be seeking a CHAP on its tenth project, Sunset Terrace, which consists of 72 units.

RAD Physical Conditions Assessment		Units
AR004000009	Fred Parris Towers	250
AR004000010	Cumberland Towers	178
AR004000011	Jesse Powell Towers	169
AR004000018	Madison Heights Phase I	59
AR004000019	Madison Heights II	38
AR004000021	Madison Heights III	20

AR004000020	Homes at Granite Mountain	40
AR004000023 **	Cumberland Manor	17
AR004000024 **	Metropolitan Village	17

**** Closed transactions ****

MHA has procured two development partners and has assembled a team of other financial and legal professionals to assist with the execution of the RAD conversions. MHA will employ conversion strategies utilizing 4% and 9% low income housing tax credits, tax-exempt bonds, public housing Capital and RHF funds, and other public and private sources. Under RAD, MHA will be converting public housing units to Project-Based Vouchers (“PBV”) under the guidelines of PIH Notice 2012-32, REV-2 and any successor Notices. MHA certifies that it is currently compliant with all fair housing and civil rights requirements and that the RAD conversions described in this plan comply with applicable site selection and neighborhood review standards.

Occupancy by Over-Income Families. (No Revisions)

N/A

Occupancy by Police Officers. (No Revisions)

MHA currently does not have any units occupied by Police Officers.

Non-Smoking Policies.

MHA has been Smoke-Free since 2014. However, there were revisions issued in guidance HUD recently published that was not reflected in MHA’s ACOP. To ensure the new Rule was cited in our current policy, language was added to the Non-Smoking Policy on page 44 of the ACOP to reflect the guidance issued by HUD.

Project-Based Vouchers.

Under RAD, MHA will be converting public housing units to Project Based Vouchers (“PBV”) under the guidelines of PIH Notice 2012-32, REV-2 and any successor Notices. MHA also plans to operate a PBV Program as a component of MHA’s Section 8 Housing Choice Voucher (HCV) Program. MHA will administer the PBV program in accordance with federal regulations, 24 CFR Part 982 and CFR Part 983, under which HUD allows public housing authorities to set aside up to 20% of their total funding under the HCV program Annual Contributions Contract (ACC) for PBV assistance. (*Refer to “Attachment 8”*)

HUD along with MHA and the property owner, MBA Urban Development, executed the closing documents the week of July 10th, 2017 for Cumberland Manor and Metropolitan Village.

Project Number	Property Name	Number of PBVs
AR004000023	Cumberland Manor	17
AR004000024	Metropolitan Village	17

Units with Approved Vacancies for Modernization.

MHA ceased leasing activities effective March 1, 2017, at Parris, Cumberland and Powell Towers in efforts to develop internal relocation plans to coincide with RAD development construction timelines. The local HUD Field Office was consulted prior to the leasing activity ceasing at the aforementioned sites.

Other Capital Grant Programs. (No Revisions)

None

Attachment “8”

Section 8 Project-Based Voucher Program Addendum

Introduction

The Project-Based Voucher (PBV) Program is a component of the Metropolitan Housing Alliance's (MHA) Section 8 Housing Choice Voucher (HCV) Program. MHA administers the PBV program in accordance with federal regulations, **24 CFR Part 982 and CFR Part 983**, under which the U.S. Department of Housing and Urban Development (HUD) allows public housing authorities to set aside up to 20% of their total funding under the HCV program Annual Contributions Contract (ACC) for project-based voucher assistance.

In addition to the 20% set-aside PBV units, MHA will be utilizing project-based vouchers it received as replacement housing for public housing units that have undergone modernization.

MHA will also administer the PVB program in accordance with **Notice PIH-2012-32 (HA), REV-2** with regards to HUD's Rental Assistance Demonstration (RAD) Program.

This statement of Project-based Voucher Policy is an addendum to the HCV Administrative Plan.

Section I. Goal of the Project-Based Assistance Program

MHA's program goals are to expand the affordability of rental housing in Pulaski County for low income households; make project-based rental subsidies accessible so eligible families can afford safe, decent and sanitary housing; maintain full utilization of allocated vouchers, and prevent the concentration of poverty.

Section II. Location

HUD requires that project-based voucher assistance be awarded only to units located in areas that have been identified as having a poverty rate of 20% or less. When necessary to achieve other goals, MHA will seek waivers from HUD to locate project-based assistance in areas with a poverty rate greater than 20%.

Section III. Advertisement Policy

MHA will advertise the availability of PBV assistance in accordance with HUD regulations. Advertisement will be placed in a local newspaper of general circulation in Pulaski County. The advertisement will run once a week for a period of three consecutive weeks. The advertisement will specify the number of vouchers available to be project-based, the type of units that will be considered for the project-based program and specify the submission deadline. All advertisements for the PBV Program will contain a statement that participation requires compliance with Fair Housing and Equal Opportunity Requirements and that the provisions of the Fair Labor Standards Act and Contract Work Hours and Safety Standards Act, Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations, and the federal equal employment opportunity requirements of Executive Orders 11246 as amended may be applicable for new construction and substantial rehabilitation properties.

Section IV. Selection of PBV Owner Proposal

MHA will select PBV proposals pursuant to one or both of the following methods:

- A.** MHA will issue a request for PBV proposals as provided in **24 CFR Section 983.51(b)(1)**. If MHA uses this method to select PBV proposals, MHA will provide public notice of the request for PBV proposals. MHA will also post notice on MHA's website at www.mhapha.org.

In order for the proposal to be considered, the owner must submit a proposal to MHA by the published deadline date, and the proposal must be responsive to all requirements as outlined in the Request for Proposal. Incomplete proposals will not be reviewed.

- B.** As provided in **24 CFR Section 983.51(b)(2)**, MHA may determine to provide PBV funding to a 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 (e.g., HOME, and units for which competitively awarded Low Income Housing Tax Credits have been provided), where the proposal has already been selected in accordance with such program's competitive selection requirements within three years of the MHA's PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive MHA PBV assistance.

- C.** Notice of Owner Selection

MHA will give prompt written notice to the party that submitted a selected proposal. The award notice will include the number of vouchers awarded and state a deadline by which all other agreements must be executed. In addition, owners awarded project-based vouchers must submit the following plan to MHA for review and approval prior to execution of a HAP contract:

1. Marketing Plan to describe marketing and outreach activities;
2. When required by the Request for Proposals, a contract between the property owner and supportive service provider(s) whose activities will be necessary to the success of the client group targeted by the RFP;
3. Waiting List Management Plan which includes information related to accepting application and record keeping;
4. Tenant Selection Plan for selecting tenants from the project's waiting list that covers tenant selection, screening criteria and procedures and requirements when applicants are ineligible.

MHA will also give prompt public notice of award of PBV in a local newspaper of general circulation and on MHA's website to provide broad public notice. The announcement will include the name of the owner/project and the number of PBV that were awarded.

- D.** MHA will not select a proposal or enter into an agreement or a HAP Contract until it determines that the proposed site /units comply with PBV goals, civil rights requirements, and HQS, unless otherwise provided in **24 CFR § 983.57(b)**.

Section V. Subsidy Layering Review (SLR) Prohibition of Excess Public Assistance

MHA may provide PBV assistance only in accordance with subsidy layering requirements (SLRs). SLRs must be completed and approved by HUD for all PBV projects that utilize other publicly supported housing funds. The SLR is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance subsidy under the PBV program with other governmental assistance from federal, state, or local agencies, including but not limited to, assistance such as tax concessions or tax credits.

- A. The MHA shall obtain from the Applicant all the information required by the HUD mandated SLR checklist.
- B. The MHA must review the SLR package prepared by the Applicant for its completeness and consistency with program requirements.
- C. If it appears complete and acceptable, the MHA shall forward the SLR package to HUD's local office. The HUD office will also review the material and if found acceptable, submit it to HUD Headquarters for final review and approval.
- D. MHA will not enter into an agreement or a HAP Contract until HUD or an independent entity approved by HUD has conducted any required SLR and determined that the PBV assistance complies with HUD's SLRs.

Section VI. Environmental Review

Every PBV project is subject to HUD environmental review requirements. Prior to execution of a HAP Contract, the owner must present evidence that the environmental review has been performed by a HUD designated "responsible entity" and approved by HUD, or, where applicable, categorically excluded from review under the National Environmental Policy Act of 1969, unless HUD notifies MHA in writing of environmental approval of the site.

Section VII. Cap on Number of PBV Units in each Project

Except for properties serving senior citizens or persons with disabilities, no more than 25% of the units in a project may receive project-based vouchers. Units in a single-family building, defined as any building with 1-4 units are exempt from this cap. An additional category of units referred to as "excepted" units are also exempt from the 25% cap. They are defined as units that will house a qualifying Family, defined by HUD as a household where at least one member will receive at least one supportive service for the term of the HAP contract.

In addition, the cap may be lifted in properties providing the supportive services. To the extent that more than 25% of the units in a project receive project-based vouchers, supportive services will be offered (both by MHA and by outside service providers) and must be actually used by at least one member in each of the families. Such services will be appropriate for the needs of the families and may include the following:

- A. In properties for senior citizens and people with disabilities, services may include:
 1. Case management;
 2. Behavioral health services;
 3. Physical health services (wellness, fitness, vision, hearing and clinic services);
 4. Substance abuse resistance;
 5. Nutrition and community gardening;
 6. Transportation;
 7. Recreation;

- B. In properties for general occupancy, all the above services may be provided. In addition, the following other services may be included:
1. Early childhood education and childcare;
 2. Before and after school care for school age children;
 3. Summer nutrition;
 4. Computer literacy;
 5. Youth sports

The use of services by family members will be monitored and tracked as part of each family's annual recertification. Unused services will be replaced by services requested by the families.

Under the Rental Assistance Demonstration Program (RAD), the 25% limitation on the number of units that may receive PBV assistance in a project is increased to 50%. An assisted household cannot be involuntarily displaced as a result of this provision.

An owner may still project-base 100% of the units provide at least 50% of the units at the project qualify for the exception for elderly, disabled, or families receiving supportive services.

Section VIII. Housing Assistance Payment Contract

A. Term of Project-Based Assistance Contract

1. Upon selection of the site/units, MHA will enter into an agreement with the owner to execute a HAP Contract in accordance with HUD requirements and as required under **24 CFR §§ 982.162 and 983.152**.
2. MHA's project-based HAP contract will be executed for a term of not less than one (1) year or more than fifteen (15) years for each contract unit (**24 CFR § 983.205**) and is subject to future availability of funding under MHA's ACC.
3. The HAP Contract will be executed when the requirements of **24 CFR 983.204** have been met.
4. The HAP Contract will contain all requirements of **24 CFR 983.203**.
5. Contracts for PSH project-based vouchers will not be executed until MHA receives a fully executed contract between the owner and service provider(s) for the provision of the supportive services necessary to ensure the housing success of the target client group.

B. Extension/Renewal of Term

Within one year before expiration, MHA may agree to extend the term of the HAP contract for an additional term of up to five years if MHA determines an extension is appropriate. Subsequent extensions are subject to the same limitations. Any renewals or extension of the project-based HAP Contract is subject to future availability of funding under MHA's ACC. Owners that are requesting a renewal must submit a Contract Renewal Request Form (HUD Form Attachment 3A-1), at least 120 days before the contract expiration.

C. Termination of HAP Contract

1. Termination by MHA-insufficient funding.

As provided in the HAP contract MHA's contractual commitment is subject to availability of sufficient funding as determined by HUD or MHA in accordance with HUD instructions. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, MHA has the right to terminate the HAP contract by notice to the owner for all or any units under contract. **24 CFR 983.205c**. The HAP Contract will provide that the term of MHA's contractual commitment is subject to the availability of sufficient appropriated funding (budget authority) as determined by HUD or by MHA in accordance with HUD instructions.

2. Termination by Owner for reduction below initial rent

If a rent reasonableness test results in a reduced amount below the contract rent, the owner may elect to terminate the HAP contract and the tenant must be offered the next available tenant-based voucher. **24 CFR 98.205d**

3. Termination by MHA for failure to supply agreed-upon supportive services

Since supportive services are an essential element of Permanent Supportive Housing (PSH), MHA will terminate the contracts of owners who fail to maintain the agreed-upon supportive services for PBV clients. Should this occur, the clients will be issued Housing Choice Vouchers (HCV) and be referred to entities that can provide needed supportive services.

4. Termination by MHA for failures to meet Housing Quality Standards

If the property fails to meet Housing Quality Standards and the owner fails or is unable to make necessary improvements to the property, MHA will terminate the contract and issue housing choice vouchers to the clients.

D. HAP Contract Amendments

A. Substituting Contract Units

At the discretion of MHA, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract. MHA must inspect the proposed substitute unit and must determine the reasonable rent for such unit.

B. Add Contract Units

At the discretion of MHA, the HAP Contract may be amended to add contract PBV units to the same project, if MHA has adequate voucher and budget authority at the time the request is received, and:

- a. The total number of units in the building that will receive PBV assistance will not exceed 25% of the number of dwelling units in the project.
- b. The amendment occurs during the three-year period immediately following the execution date of the HAP contract.

- c. The owner is in good standing and has acceptably performed all requirements under the HAP contract.
- d. Addition of unit is consistent with any MHA requirement for PBV units at the time the request is made.
- e. The amendment is subject to all PBV requirements.

Section IX. MHA Monitoring of Supportive Services

Supportive Service providers in PSH are obligated to report to MHA regarding any changes in the supportive services before the changes are made. Clients who need supportive services to be lease compliant must accept the specific services they need to remain lease compliant as long as they need them, not necessarily all the services provided at the property.

The MHA will require quarterly reports from supportive service agencies. A supportive service agency must inform the owner and MHA immediately when a Family is no longer in compliance with their service obligation.

MHA will monitor the Family's continued participation in their service program at the time of annual reexamination. As part of the PSH/PBV application process, each owner/project sponsor must articulate key program goals and core performance indicators in their proposal. The owner/project sponsor will be required to describe how participant households will be monitored for compliance with their PBV Contract of Family Participation. During each 12-month cycle of the Family's contract, the owner/project sponsor must certify that it continues to provide supportive services this data should be included in the annual performance report (PBV-APR) to be submitted to MHA.

Families who receive a Housing Choice Voucher prior to fulfillment of their PBV Contract of Family Participation must continue to participate and remain compliant with the Supportive Services Program.

Section X. Occupancy

A. Unit Selection (for existing housing and rehabilitated PBV)

MHA anticipates that it will offer several types of project-based assistance programs, therefore the unit selection will be based on the needs of that particular project and determined by the owner with final approval by MHA. After HAP contract execution, the owner must seek written approval and a HAP contract amendment to make any substitutions to the units or the unit mix.

B. Protection of In Place Families

The protection for victims of domestic violence, dating violence, and stalking, as provided in **24 CFR 983 part 5, subpart L**, apply to admission to the PBV program.

To minimize displacement of in-place families, for an existing unit or one requiring rehabilitation and occupied by an eligible Family on the proposal selection date, the in-place Family must be placed on the MHA's waiting list (if not already on the waiting list) and, once its continued eligibility is determined, given an absolute selection preference and referred to the project owner for an appropriately-sized PBV unit in the project.

For existing units or those requiring rehabilitation, an eligible Family that is residing in a proposed contract unit, on the date of proposal selection, is considered an “in place Family”. Eligible in-place families will be given a selection preference and will be placed on the waiting list for the project. MHA may deny assistance to the Family for the grounds specified in **24 CFR 982.552 and 982.553**.

Eligible in-place families are not subject to income targeting requirements.

If an in-place Family is determined ineligible by MHA or does not wish to participate in the PBV program, MHA will give the owner the option to substitute that particular unit for another unit (HAP contract amendment) or the owner can wait until the end of the Family's lease term. The owner cannot evict (displace) any families prior to lease expiration for the purposes of moving an eligible PBV Family in.

C. Waiting list

1. When fewer than 25 PBVs are awarded to a property, MHA will set up and maintain the waiting list for the PBVs awarded to the property. Eligible and qualified families will be referred to the owner for screening, unit assignment, leasing and orientation.
2. Any families selected from MHA's site-based waiting lists must meet owners' screening criteria prior to receiving a project-based voucher. The owner can help ensure timely turnaround of vacant units by conducting outreach efforts in accordance with MHA policies. If the supportive service provider provides referrals to the owner, it is still the owner's responsibility to conduct screening on qualified families referred by MHA.
3. When an entire property is subsidized by PBV, (e.g. a large senior development) **and** when the property has received Low Income Housing Tax Credits, the owner will develop and maintain a site-based waiting list consistent with Title VI of the Civil Rights Act of 1964 and all applicable requirements of **24 CFR §5, 982 and 983**. MHA will be responsible for and will oversee the initial development of the waiting list and owner's actions in administering the waiting list. On-site monitoring visits will take place weekly during lease-up and at least quarterly after lease-up.
 - a. In practice, this means that MHA will notify all potentially eligible families and individuals on its regular HCV waiting list that they may apply for admission to the open PBV list;
 - b. MHA will require that the PBV owner of the LIHTC property establish its waiting list in a manner that complies fully with both the part 982 and 983 regulations and the LIHTC requirements. The waiting list will be established using MHA's operating program software so that it can be tracked in real time by MHA;
 - c. During lease-up and subsequent re-leasing MHA will carry out all processes necessary to determine eligibility and rent. This will include the following actions:
 - i. Reviewing the application package for completeness and internal consistency;
 - ii. Reviewing applicant-provided information such as photo IDs, social security cards, birth certificates and HUD 214 forms;
 - iii. Verifying all information on income, citizenship or eligible immigration status, social security numbers and all deductions;
 - iv. Determining each family's annual income, adjusted income, utility allowance (if applicable), total tenant payment and tenant rent;

- v. Conducting the criminal history check on all adult applicants;
- vi. Referring eligible applicants to the owner for pre-occupancy screening, unit assignment, leasing and orientation

4. The waitlist contains, but is not limited to the following information for each applicant:

- a. Date and time of Application
- b. Applicant name, address, social security number and contact information
- c. Family size
- d. Racial or ethnic designation of head of household
- e. Income source
- f. Annual gross income
- g. Program Qualifications

D. Tenant Screening

1. MHA option. MHA has no responsibility or liability to the owner or to any other person for the Family's behavior or suitability for tenancy. However, MHA may elect to screen applicants for Family behavior or suitability for tenancy and may deny admission based on the screening results.
2. Owner responsibility. The owner is responsible for screening and selection of the Family to occupy the owner's unit. The owner may consider a Family's background with respect to such factors as payment of rent and utility bills, caring for a unit and premises, involvement in any drug-related criminal activity or other criminal activity is a threat to the health, safety, or property of others, respect for the rights of other residents to the peaceful enjoyment of their housing, and compliance with other essential conditions of tenancy.
3. Depending upon the proposed client group to be served at PSH, MHA will waive its criminal history screening requirements beyond the mandatory statutory prohibition against assistance to persons who have been convicted of manufacturing methamphetamines on the premises of assisted housing or persons who are subject to a lifetime registration requirement as sex offenders.

E. Tenant Selection

The owner is responsible for developing written tenant selection procedures. Selection procedures must be approved by MHA prior to execution of HAP. Owners are responsible for selection of tenants for units assisted with project-based vouchers from among the families on the waiting list. Project-based voucher holders must come from outreach efforts conducted by the property owner/manager in accordance with MHA policies.

MHA may select families who are active participants in its tenant-based voucher program and those who have applied for admission to the voucher program or only to a specific PBV site.

MHA will provide the owner with the required forms for tenants to complete to be in compliance with MHA PBV requirements. These forms will include, but will not be limited to: Form HUD-9886, Declaration of Citizenship Status, Application for Assistance & Criminal Background Release.

The owner will be responsible for collecting all the required screening forms and determining the tenant's suitability for residency in their property. The owner will provide an electronic copy (fax or scan) of the application materials to MHA to verify program eligibility. All tenant transactions will be managed by the manager.

Except for in-place residents who receive PB assistance, not less than 75% of the families admitted from MHA's tenant-based and project-based the waiting list during MHA's fiscal year shall be extremely low-income families.

MHA may waive the criminal background requirement and admit a Family that would be otherwise ineligible for HCV program participation, for occupancy in a PBV for the special needs population. The Family must comply with all other HCV program participant screening and eligibility requirements. Exceptions to the criminal background requirement will be reviewed on a case by case basis and must be approved by MHA. The service provider must submit a written request for a criminal background waiver on behalf of the Family.

Occupancy Standards

MHA will utilize the same occupancy standard for project-based participants as utilized by HCV participants. In the event that the current project-based waiting list does not contain applicants that meet the criteria for units available, the next eligible applicant may be selected so long that at least one person occupies each bedroom.

F. Lease Term

The initial lease term for project-based units is one year.

G. Conversion to Tenant Based/Portability Voucher

Families who reside in a project-based unit for at least twelve months may request to move with continued assistance with a tenant-based voucher, if funding is available. Families are subject to the same rules as any other tenant-based participant. The Family that moves out of the project-based unit is replaced with a new household from the waiting list. If a voucher is not available, the Family may remain in the project-based unit for the remainder of the HAP contract the Family will be placed on the Project-based HCV waiting list and will be issued a voucher when one is available prior to a Family on the HCV waiting list.

H. Annual Reexaminations and Interim Reexaminations

1. Families who reside in a project-based unit may experience changes in their income or Family composition.
2. In the properties where MHA is handling the waiting list, MHA will perform all interim adjustments and annual recertification.
3. At the LIHTC properties where the owner is handling the waiting list with MHA monitoring, MHA will provide the owner with the required forms to complete all interim reexaminations on the property and a checklist for the needed documents. The interim packet will be sent electronically (via fax or scan) to MHA to process. MHA will provide the owner with the rent change notice letter and the copy of the Form HUD-50058 for their records.

MHA will coordinate with the owner to complete annual reexaminations on the property for all the residents. MHA will provide the owners with the annual reexamination forms packet (which will also be available on the internet). The owner will be responsible for providing the packets to the families at least 120 days prior to their annual reexamination and must collect the packets at least 60 days prior to the anniversary of their annual reexamination date. In most cases, the annual reexamination date will be the first day of the month in which the Family moved in (lease date), although this may not always be the case.

MHA will collect the annual reexamination packets from the owner 60 days prior to annual reexamination anniversary date and process the annual reexaminations and provide the owner a notice of rent change and completed reexam at least 30 days prior to the anniversary of the annual reexamination. In some cases, MHA will have to make arrangements to meet with the Family; however, it is the owner's responsibility to collect the annual reexamination packets and supporting documentation from the Family.

MHA will conduct an annual reexam briefing with families to review the program requirements, update families of changes to the program, and to discuss project concerns with the Family at least quarterly when there are annual reexaminations that must be completed. MHA will provide the owner with notice of briefing appointment and the owner should provide a common space for these briefings on the property.

I. Vacancy Payments

MHA may elect to offer owners an option to contractually receive a vacancy payment for the calendar month when the Family moves out. The HAP contract will not provide for vacancy payments after that date.

MHA will pay vacancy loss for a partial month following a client move-out if:

1. The owner gives MHA prompt written notice of the vacancy;
2. The vacancy is not the fault of the owner; and
3. The owner has taken every reasonable action to minimize the likelihood and length of the vacancy.
4. The owner provides any additional information required and requested by MHA to verify that the owner is entitled to vacancy payment.

J. Reduction in the contract number of Project-based Units

Project-based units that are not rented by an eligible Family within 120 days of becoming vacant will be terminated from the project-based assistance contract. Appeals will be allowed, but will be granted only in extraordinary circumstances. A unit that has consistently failed HQS inspections will also be terminated from the project-based assistance contract.

K. Termination of Service Provider/Owner relationship

If at any time, the supportive service provider terminates the relationship with the owner or the owner chooses to terminate the relationship with the service provider, MHA will

review the HAP Contract and the procurement of the services to determine if the HAP contract should be terminated or continued. Any changes in ownership or service provider must be approved in writing through a HAP contract amendment by MHA. MHA reserves the right to not make any requested amendments to the contract.

If contract is terminated prematurely, MHA will offer the PBV tenants an HCV voucher at the end of their existing lease term. The tenant may choose to remain on the property under the HCV program or can relocate using the HCV voucher.

Section XI. Housing Quality Standard (HQS) Inspections, Rent Reasonableness

A. Pre-selection inspection

The MHA must examine the proposed site before the proposal selection date to determine if the units substantially comply with HQS. MHA shall inspect each Contract unit before executing a HAP Contract.

B. Pre-HAP contract inspections

The MHA must inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with the HQS.

C. Turnover inspections

Before providing assistance to a new Family in a contract unit, the MHA must inspect the unit. The MHA may not provide assistance on behalf of the Family until the unit fully complies with the HQS.

D. Annual inspections

At least annually during the term of the HAP contract, MHA will inspect a random sample, consisting of at least twenty percent (20%) of the contract units in each building, to determine if the contract units and the premises are maintained in accordance with the HQS. If more than twenty percent (20%) of the annual sample of inspected contract units in a building fail the initial inspection, MHA shall conduct follow-up inspections and conduct inspections as needed.

E. Housing accessibility for persons with disabilities

The housing must comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and the implementing regulations at 24 CFR part. 8. Housing first occupied after March 13, 1991 shall comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable.

F. Rent Reasonableness and Rental Adjustments

MHA will conduct a rent reasonableness survey on all units prior to the execution of the HAP contract. If the owner desires a rental adjustment at the anniversary of the HAP contract, the owner must request a rental adjustment in writing at least 90 days prior to

the HAP contract anniversary. MHA will determine whether the rent requested is reasonable and will make the appropriate adjustments (increase or decrease) in order to comply with rent reasonableness requirements. MHA will only entertain rental adjustment requests at anniversary of HAP contract and not on Family lease terms, which may or may not coincide.

**Little Rock Housing Authority
FY 2018
Plan Elements**

Element B

B.3

Civil Rights Certification.
(Refer to “Attachment 9”)

B.4

Most Recent Fiscal Year Audit.
(2016 FY Audit Information Pending)

B.5

Progress Report.

Housing Choice Voucher Program

In 2016 MHA received and approved three outside entities for the homeless referral preference. Relationships were formed with other entities that assist similar family types by MHA’s increased participation in Central Arkansas Team Care for the Homeless (CATCH).

Update of Family Self Sufficiency (“FSS”) Program, MHA reapplied for the FSS grant under the 2016 Notice of Funding Availability (“NOFA”), with the intention of also having a Homeownership program.

Public Housing Program

To drive the rent collection to meet 97% for all sites including and not limited to the family sites, staff continue the rent collection option at the managers’ office located at 4 separate locations and by making the option available for the use of demand debit technology at each of the sites. This option to provide the demand debit will also assist in reaching a paperless environment.

To increase the availability of decent, safe and affordable housing; improve the quality of assisted housing and increase assisted housing choices our plans include requisition of new sites in other parts of the city. We also through RAD, plan modernization efforts at all existing properties receiving CHAP awards. As of August 2017, we have received CHAP awards on 787 units. To date, MHA has closed RAD transactions with September 1, 2017 effective HAP dates on 34 units at Metropolitan Village and Cumberland Manor. We are anticipating receipt of RCCs for the Towers, Jesse Powell, Cumberland and Parris, 597 units, with a closing date in the last quarter of 2017. Currently, we are in planning process of developing a relocation plan for the impacted Tower sites. This planning process will continue at the appropriate time for other properties requiring such plans. MHA has decided to pursue redevelopment of At Sunset Terrace, rather than demolish the units. We are pursuing 9% LIHTC and 4% LIHTC as a backup along with federal and state historic credits and other sources. MHA will apply Replacement Housing Factor (RHF) and Capital funds as available. We will continue to focus on stabilizing and enhancing our current public housing stock and expanding as market opportunities surface.

MHA staff stays committed to improving resident opportunity through on the job training, mentoring and engaging residents socially. Through each contract, MHA staff have created awareness of the Section 3

Resident employment program. Our commitment to this program has become popular by allowing the contractors to experience firsthand MHA's use of Resident employment service. We believe that it is a greater success when you develop the guide in one's own environment. As it picks up the momentum it has been easier to raise awareness that will desire positive feedback from residents and vendors. As MHA transitions forward with the RAD conversions, Section 3 outreach will remain a driving factor to enhance resident sustainability throughout the community.

Attachment “9”

**Certifications of Compliance with
PHA Plans and Related Regulations
(Standard, Troubled, HCV-Only, and
High Performer PHAs)**

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 02/29/2016

**PHA Certifications of Compliance with the PHA Plan and Related Regulations including
Required Civil Rights Certifications**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the ___ 5-Year and/or Annual PHA Plan for the PHA fiscal year beginning 2018, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
5. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
6. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those programs, addressing those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.
7. For PHA Plans that includes a policy for site based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2010-25);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
12. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).

13. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
14. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
15. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
16. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
17. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
18. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
19. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Little Rock Housing Authority

 PHA Name


AR004

 PHA Number/HA Code

Annual PHA Plan for Fiscal Year 20 18

5-Year PHA Plan for Fiscal Years 20____ - 20____

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Name of Authorized Official Rodney Forte	Title Executive Director
Signature 	Date 08/01/2017

TAB – Element B.6-B.8

Resident Advisory Board (RAB) Comments

Attachment 10

**Little Rock Housing Authority
FY 2018
Plan Elements**

Element B

B.6

Resident Advisory Board (RAB) comments.

(2017 Information Currently Pending) (*Refer to "Attachment 10"*)

B.7

Certification by State of Local Officials.

N/A

B.8

Troubled PHA.

N/A

Attachment “10”

TAB – Element C.1

HUD 50075.2

Attachment 11

Attachment “11”

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 08/30/2011

Part I: Summary					
PHA Name/Number	Locality (City/County & State)		Original 5-Year Plan		Revision No:
Development Number and Name	Work Statement for Year 1 FFY	Work Statement for Year 2 FFY 2014	Work Statement for Year 3 FFY 2015	Work Statement for Year 4 FFY 2016	Work Statement for Year 5 FFY 2017
B.	Physical Improvements Subtotal	Annual Statement 620,000		425,000	375,000
C.	Management Improvements	165,714	100,000	200,000	200,000
D.	PHA-Wide Non-dwelling Structures and Equipment				
E.	Administration	77,857	131,856	131,856	131,856
F.	Other				
G.	Operations				
H.	Demolition		35,204		
I.	Development		1,000,000	510,204	560,204
J.	Capital Fund Financing – Debt Service				
K.	Total CFP Funds				
L.	Total Non-CFP Funds				
M.	Grand Total	863,571	1,267,060	1,267,060	1,267,060

Capital Fund Program—Five-Year Action Plan

**U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 4/30/20011**

Part I: Summary (Continuation)

PHA Name/Number Development Number and Name	Work Statement for Year 1 FFY _____	Locality (City/county & State) Work Statement for Year 2 FFY	Work Statement for Year 3 FFY	Work Statement for Year 4 FFY	Work Statement for Year 5 FFY	Revision No:
Annual Statement						

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

Part II: Supporting Pages – Physical Needs Work Statement(s)

Work Statement for Year FFY _____	Work Statement for Year: FFY		Work Statement for Year: FFY			
	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
See						
Annual Statement						
Subtotal of Estimated Cost			\$	Subtotal of Estimated Cost		\$

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/20011

Part III: Supporting Pages – Management Needs Work Statement(s)			
Work Statement for Year 1 FFY	Work Statement for Year FFY		Estimated Cost
	Development Number/Name General Description of Major Work Categories	Development Number/Name General Description of Major Work Categories	
See Annual Statement			
	Subtotal of Estimated Cost		\$
		Subtotal of Estimated Cost	\$

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/20011

Part III: Supporting Pages – Management Needs Work Statement(s)

Work Statement for Year 1 FFY _____	Work Statement for Year FFY		Estimated Cost	Estimated Cost
	Development Number/Name General Description of Major Work Categories	Development Number/Name General Description of Major Work Categories		
See Annual Statement				
	Subtotal of Estimated Cost		\$	
	Subtotal of Estimated Cost		\$	