



**(AMENDMENT)**  
**2019 PHA**  
**ANNUAL PLAN**

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

**NOVEMBER 15, 2018**

**FINAL COPY APPROVED BY THE BOARD  
OF COMMISSIONERS:**

**DECEMBER 20, 2018**

**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**

**CONTACT:**

**RODNEY FORTE**  
**EXECUTIVE DIRECTOR**  
**EMAIL: [RFORTE@MHAPHA.ORG](mailto:RFORTE@MHAPHA.ORG)**

<b>Annual PHA Plan</b> <i>(Standard PHAs and Troubled PHAs)</i>	<b>U.S. Department of Housing and Urban Development</b> <b>Office of Public and Indian Housing</b>	<b>OMB No. 2577-0226</b> <b>Expires: 02/29/2016</b>
--	---	--

**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.

<b>A PHA Information.</b>																																				
<b>A</b> <b>PHA Name:</b> <u>Housing Authority of the City of Little Rock, AR</u> <b>PHA Code:</b> <u>AR004</u> <b>PHA Type:</b> <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA <b>PHA Plan for Fiscal Year Beginning:</b> (MM/YYYY): <u>01/2019</u> <b>PHA Inventory</b> (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) <b>Number of Public Housing (PH) Units</b> <u>251</u> <b>Number of Housing Choice Vouchers (HCVs)</b> <u>2913</u> <b>Total Combined Units/Vouchers</b> <u>3164</u> <b>PHA Plan Submission Type:</b> <input type="checkbox"/> Annual Submission <input checked="" type="checkbox"/> Revised Annual Submission  <b>Availability of Information.</b> 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.  <input type="checkbox"/> <b>PHA Consortia:</b> (Check box if submitting a Joint PHA Plan and complete table below)																																				
<table border="1"> <thead> <tr> <th data-bbox="131 1434 404 1478">Participating PHAs</th> <th data-bbox="404 1434 537 1478">PHA Code</th> <th data-bbox="537 1434 836 1478">Program(s) in the Consortia</th> <th data-bbox="836 1434 1109 1478">Program(s) not in the Consortia</th> <th colspan="2" data-bbox="1109 1434 1421 1478">No. of Units in Each Program</th> </tr> <tr> <th colspan="4"></th> <th data-bbox="1109 1478 1252 1512">PH</th> <th data-bbox="1252 1478 1421 1512">HCV</th> </tr> </thead> <tbody> <tr> <td data-bbox="131 1512 404 1610">Lead PHA:</td> <td data-bbox="404 1512 537 1610"></td> <td data-bbox="537 1512 836 1610"></td> <td data-bbox="836 1512 1109 1610"></td> <td data-bbox="1109 1512 1252 1610"></td> <td data-bbox="1252 1512 1421 1610"></td> </tr> <tr> <td data-bbox="131 1610 404 1709"></td> <td data-bbox="404 1610 537 1709"></td> <td data-bbox="537 1610 836 1709"></td> <td data-bbox="836 1610 1109 1709"></td> <td data-bbox="1109 1610 1252 1709"></td> <td data-bbox="1252 1610 1421 1709"></td> </tr> <tr> <td data-bbox="131 1709 404 1808"></td> <td data-bbox="404 1709 537 1808"></td> <td data-bbox="537 1709 836 1808"></td> <td data-bbox="836 1709 1109 1808"></td> <td data-bbox="1109 1709 1252 1808"></td> <td data-bbox="1252 1709 1421 1808"></td> </tr> <tr> <td data-bbox="131 1808 404 1927"></td> <td data-bbox="404 1808 537 1927"></td> <td data-bbox="537 1808 836 1927"></td> <td data-bbox="836 1808 1109 1927"></td> <td data-bbox="1109 1808 1252 1927"></td> <td data-bbox="1252 1808 1421 1927"></td> </tr> </tbody> </table>	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:																							
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>B</b>	<b>Annual Plan Elements</b>
<b>B</b>	<b>Revision of PHA Plan Elements.</b>
<b>1</b>	<p>(a) Have the following PHA Plan elements been revised by the PHA?</p> <p>Y    N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs</p> <p><input checked="" 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 type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Community Service and Self-Sufficiency Programs.</p> <p><input type="checkbox"/> <input checked="" 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><b>Update information attached</b></p> <p>(c) The PHA must submit its Deconcentration Policy for Field Office review.</p> <p><b>N/A</b></p>
<b>B</b>	<b>New Activities.</b>
<b>2</b>	<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 type="checkbox"/> <input checked="" type="checkbox"/> Mixed Finance Modernization or Development.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Demolition and/or Disposition.</p> <p><input checked="" type="checkbox"/> <input 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 type="checkbox"/> <input checked="" type="checkbox"/> Non-Smoking Policies.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Project-Based Vouchers.</p> <p><input type="checkbox"/> <input checked="" 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>B</b>	<b>Civil Rights Certification.</b>
<b>3</b>	<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><b>Attached</b></p>

<b>B</b> . <b>4</b>	<b>Most Recent Fiscal Year Audit.</b> (a) Were there any findings in the most recent FY Audit? Y   N   N/A <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> (b) If yes, please describe: <b>Attached</b>
<b>B</b> . <b>5</b>	<b>Progress Report.</b> Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan. <b>Attached</b>
<b>B</b> . <b>6</b>	<b>Resident Advisory Board (RAB) Comments.</b> (a) Did the RAB(s) provide comments to the PHA Plan? Y   N <input type="checkbox"/> <input checked="" type="checkbox"/> (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.
<b>B</b> . <b>7</b>	<b>Certification by State or Local Officials.</b> <a href="#">Form HUD 50077-SL</a> , <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.
<b>B</b> . <b>8</b>	<b>Troubled PHA.</b> (a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place? Y   N   N/A <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> (b) If yes, please describe:
<b>C</b> .	<b>Statement of Capital Improvements.</b> Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).
<b>C</b> . <b>1</b>	<b>Capital Improvements.</b> 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. <b>Refer to Attachment 11.</b>

## **Table of Contents**

### **Summary**

#### **Tab – Element B.1**

Housing Choice Voucher Administrative Plan (Admin Plan)

Attachment 1

#### **Tab – Element B.2**



# Metropolitan Housing Alliance

100 S. Arch Street, Little Rock, Arkansas 72201

## Element **Revisions/Updates:**

### Element B.1

#### Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. (**Amended**)

##### **2019 HCV Changes to Administrative Plan Overview (**Amended**)**

Below is a summary of additional changes to the Administrative Plan effective 1/1/2019. The changes are due to the Amendment of the 2019 Annual Plan itself, the addition of Mainstream Vouchers, program efficiency and formatting.

All proposed changes are notated in **blue**, as the previous changes have been previously approved.

1. Special Programs: MHA removed the programs that are no longer administered by MHA **and added the new programs. A description of each program was added.**
2. Available Unit Listing: Unit listings will be provided online, at voucher briefings, and per request.
3. Eligibility: PBV vouchers are subject to additional income restrictions based on the property. Applicants are required to provide MHA with requested documents.
4. Changes during lease up: Changes of income after the pass inspection will be processed based on whether or not a lease has been executed.
5. Waiting List: Project-Based Voucher provisions were added.
6. Project-Based Voucher Transfers: Transfers from the Project-Based Voucher to Section 8 Vouchers is limited to 25% of annual new admissions.
7. Accepting Applications: Project-Based Voucher and Mainstream Voucher provisions were added. Referrals for special programs and homeless preferences are accepted at all times and are not in the form of a pre-application.
8. Application Status: Project-Based Voucher applicants must provide MHA written notice of changes in family composition while on the wait list. **Changes to an application must be submitted using MHA's change form.**
9. Completion of Application: Applications will be denied if the applicant fails to provide documentation after two request. Applications will be kept for up to 90 days pending social security cards. If additional documents are required after the full application is accepted, the applicant will be given 15 instead of 10 days to provide the request to MHA. Upon request an application will be mailed or faxed for applicants that are outside of central Arkansas.
10. Local Preferences: The working preference applies to a working family regardless of full- time/part-time status. **Families with more than one preference are ranked the same as families with only one preference. Homeless vouchers administered at one time was increased from 50 to 100. A non-elderly transitioning preference was added to meet Mainstream Voucher requirements. Preferences for Project-Based Voucher was added.**
11. Determining Voucher Size: The unborn child of a pregnant household member will be counted as a family member when determining the family's voucher size. MHA will not include an adult or any accompanied children when determining voucher size if the adult is added after the initial voucher is issued for any reason other than marriage, adoption, or custody.
12. PHA Error: If MHA issues a larger voucher size in error and the landlord has signed the HAP Contract, MHA will correct the voucher change at the next annual or move is the tenant's new portion of rent would be greater than 40% of the family's AGI.
13. Averaging Income: Income from seasonal work will be annualized to illuminate interims.
14. Briefings: The head of household must attend voucher briefings in person.
15. Term of Voucher: If a voucher expires on a day that MHA is closed the expiration date extends to the next business day.
16. Types of Inspections: MHA will inspect a unit within 15 days after receiving the move paperwork. If the unit is not on MHA's program the landlord has **14** days to provide the required owner and



## Metropolitan Housing Alliance

100 S. Arch Street, Little Rock, Arkansas 72201

unit information. It may take longer than 15 days for an inspection if the unit is new to MHA's program. A reinspection for failed inspections are automatically scheduled rather than waiting on the landlord to contact MHA.

17. Initial inspections: MHA will deny a Request for Tenancy if the unit is not ready for inspections within 60 days of the receipt of the Request for Tenancy.
18. Special Inspections: Requests must be submitted using MHA's request form.
19. Biennial Inspections: There is a 24 hour notice of cancelation required for inspections.
20. Time Standard for Repairs: The corrections of HQS deficiencies can be verified by written confirmations from the landlord and tenant. If both certifications are not available, the tenant or landlord can substitute the other parties' verification with receipts, pictures, etc. HAP Contracts will be terminated no later than 60 days after the abatement. A HAP Contract will not be reinstated after 30 days of abatement regardless if the unit passes inspection after the 30 day abatement. If a reinspection is inconclusive due to "no show", the unit will be abated if the failed items are landlord responsibilities. MHA reserves the right to ban a landlord from participating in MHA's voucher program if the landlord has more than one abatement within 6 months.
21. Rent Increase Requests: Rent increases must be requested using MHA's rent increase form.
22. Procedure for Moves: MHA requires a 30 day notice to vacate rather than a 60 day notice.
23. Landlord Denials: Landlords may be denied participation if they have been involved in violent criminal activity or drug activity within 3 years.
24. Appeal/Reviews: Mitigating circumstances are at the discretion of MHA, not an outside appeal officer.

### Element B.2

#### Designated Housing for Elderly and Disabled Families. (Amended)

\*\*\*Previous Designation\*\*\*

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

Fred Parris Towers and Cumberland Towers will be project-based Section 8 sites that do not allow for site specific designation post RAD conversion. However, the sites will have an Elderly Preference (Working Preference) which will allow for all Elderly persons to be ranked higher on the waiting list, which is outlined in the Administrative Plan for the Section 8 Voucher Program.

#### Conversion of Public Housing to Project-Based Assistance under RAD. (Amended)

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 74 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
AR004000020	Homes at Granite Mountain	40



## Metropolitan Housing Alliance

100 S. Arch Street, Little Rock, Arkansas 72201

AR004000021 **	Madison Heights III	20
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.

### **Project-Based Vouchers. (Amended)**

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.

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 and executed the closing documents the week of April 23rd, 2018 for Madison Heights III. Closing documents were also executed for Parris, Cumberland and Powell Towers the week of October 4th, 2018.

Project Number	Property Name	Number of PBVs
AR004000023	Cumberland Manor	17
AR004000024	Metropolitan Village	17
AR004000021	Madison Heights III	20
AR004000009	Fred Parris Towers	250
AR004000010	Cumberland Towers	178
AR004000011	Jesse Powell Towers	169



# TAB – Element B.1

Housing Choice Voucher Administrative Plan (Admin Plan)

Attachment 1

**Little Rock Housing Authority  
FY 2019  
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 2018**

<b>All Public Housing Waiting Lists 2018</b>	<b>Total</b>	<b>Percent</b>
<b>Income</b>		
All Income Ranges	2762	100%
Extremely Low-Income ( $\leq$ 30% AMI)	>2499	>97%
Very Low – Income (31% - 50% AMI)	189	
Low-Income (51 – 80% AMI)	59	
High	15	
<b>Race</b>		
African-American	2583	93%
American Indian	12	
Asian/Pacific Islander	6	
Hispanic	57	
White	48	
Native Hawaiian/other Pacific Islander	7	
Undefined	8	
<b>Family Type</b>		
Families with Children	447	16%
Elderly	270	9%
Disabled	431	15%

**Source:** Database for 2018

## **Section 8 Waiting List 2018**

<b>Section 8 Waiting List</b>	<b>Total</b>	<b>Percent</b>
<b>Income</b>		
All Income Ranges	3288	100%
Extremely Low-Income (<= 30% AMI)	>3,215	>97%
Very Low – Income (31% - 50% AMI)	44	
Low-Income (51 – 80% AMI)	20	
High	11	
<b>Race</b>		
African-American	3,114	94%
American Indian	4	
Asian/Pacific Islander	10	
Hispanic	0	
White	107	
Native Hawaiian/other Pacific Islander	3	
Undefined	50	
<b>Family Type</b>		
Families with Children	3,173	97%
Elderly	57	2%
Disabled	508	16%

**Source:** Database for 2018

### **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 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. (Amended)**

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](#)")

[Changes to the Administrative Plan were completed to include a preference due to the post RAD conversion, the addition of the administration of Mainstream Vouchers, program efficiency and formatting.](#)

**Public Housing (No Revisions)**

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.**

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 (No Revisions)**

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. (No Revisions)**

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. It is part of the Administrative Plan for the Section 8 Voucher Program. ***(Refer to "Attachment 7")***

#### **Community Service and Self Sufficiency Programs.**

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.

Additionally, MHA was 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. This program has aided in the placement of donated computers in computer labs for access by over 800 residents, desktop computers for \$50 dollars in homes, access to \$10.00 a month internet service, free tablets to families with children, free tablets to seniors and the resources to host and implement over 50 digital literacy training classes, a program support for college enrollment, new jobs, healthy food choices and resident preparation for homeownership. As a part of the baseline survey performed in the traditional public housing units currently a total of 278 residents of the 674 residents have an internet connected to a device.

As a part of the agencies commitment to its residents, the Section 3 program has been greatly promoted in efforts to ensure residents are aware of available upcoming Section 3 job training opportunities via the Rental Assistance Demonstration program (RAD). Also, ongoing efforts to build partnerships to serve as training, education hubs and supportive services have been introduced through the efforts of the Little Rock Connect Home Pilot program. MHA has been able to continue the success of this program with the help of its many partners such as; the City of Little Rock Mayor's Office, the Bill, Hillary and Chelsea Clinton Foundation - Healthy Matters Initiative, GitHub, Arkansas Children's Hospital- Hunger Alliance, Fresh2You Foods, Best Buy – Geek Squad, Baptist College, Shorter College, Little Rock School District, Attorney General Office, T-Mobile, Comcast, AT&T, Broadband Development Group, First Security Bank, Central Arkansas Library and the Federal Reserve.

**Safety and Crime Prevention. (No Revisions)**

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.**

Requirements for RAD-Specific Significant Amendment Submissions

PIH-2012-32 (HA), REV-3 Rental Assistance Demonstration – Final Implementation 126

**Rental Assistance Demonstration (RAD)**

The Housing Authority of the City of Little Rock, AR (LRHA) is amending its (annual and/or 5-year) PHA Plan because it was a successful applicant in the Rental Assistance Demonstration (RAD). As a result, LRHA will be converting to Project Based Vouchers under the guidelines of PIH Notice 2012-32, REV-1 and any successor Notices. Upon conversion to (Project Based Vouchers or Project Based Rental Assistance)

the Authority will adopt the resident rights, participation, waiting list and grievance procedures listed in (For conversions to PBV: Section 1.6 of PIH Notice 2012-32, REV-2; and Joint Housing PIH Notice H-2014-09/PIH-2014-17; For conversions to PBRA: Section 1.7 of PIH Notice 2012-32, REV-2; and Joint Housing PIH Notice H-2014-09/PIH-2014-17). These resident rights, participation, waiting list and grievance procedures are appended to this Attachment. Additionally, the LRHA certifies that it is currently compliant with all fair housing and civil rights requirements, including those imposed by any remedial orders or agreements.

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing LRHA with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, the Authority's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted as part of the Demonstration, and that LRHA may also borrow funds to address their capital needs. The LRHA will also be contributing Operating Reserves in the amount of \$907,000, Capital Funds in the amount of \$3,000,000 towards the conversion, and/or Replacement Housing Factor (RHF) Funds in the amount of \$1,800,000 towards the conversion.

Below, please find specific information related to the Public Housing Development(s) selected for RAD:

**Development #10 AMP 01**

<u>Name of Public Housing Project:</u> <u>Sunset Terrace</u>	<u>PIC Development ID:</u> <u>AR004000001</u>	<u>Conversion type, PBV:</u>	<u>Transfer of Assistance:</u> <u>NO</u>
<u>Total Units: 74</u>	<u>Pre- RAD Unit Type, Family:</u>	<u>Post-RAD Unit Type, Family</u>	<u>Capital Fund allocation of Development:</u> <u>\$3,000,000.00</u>
<b>Bedroom Type</b>	<b>Number of Units Pre-Conversion</b>	<b>Number of Units Post-Conversion</b>	<b>Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.</b>
Studio/Efficiency	0	0	
One Bedroom	31	31	
Two Bedroom	22	22	
Three bedroom	15	15	
Four Bedroom	5	5	
Five Bedroom	2	2	



**Resident Rights, Participation, Waiting List and Grievance Procedures**

**If converting to PBV:** (Insert PIH Notice 2012-32, REV-3 Section 1.6.C & Section 1.6.D, and Joint Housing/PIH Notice H-2014-09/ PIH-2014-17, as a whole, into this Attachment to your PHA Plan)

.....  
**MANY-TO-1 Application completed for Development #11**

**Development #11 AMP 26**

<u>Name of Public Housing Project:</u> <u>Central</u>	<u>PIC Development ID:</u> <u>AR004000026</u>	<u>Conversion type, PBV:</u>	<u>Transfer of Assistance:</u> <u>NO</u>
<u>Total Units: 5</u>	<u>Pre- RAD Unit Type, Family:</u>	<u>Post-RAD Unit Type, Family</u>	<u>Capital Fund allocation of Development:</u> <u>\$300,000.00</u>
<b>Bedroom Type</b>	<b>Number of Units Pre-Conversion</b>	<b>Number of Units Post-Conversion</b>	<b>Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.)</b>
Studio/Efficiency	0	0	
One Bedroom	1	1	
Two Bedroom	4	4	

**Resident Rights, Participation, Waiting List and Grievance Procedures**

**If converting to PBV:** (Insert PIH Notice 2012-32, REV-3 Section 1.6.C & Section 1.6.D, and Joint Housing/PIH Notice H-2014-09/ PIH-2014-17, as a whole, into this Attachment to your PHA Plan)

.....

**MANY-TO-1 Application completed for Development #12**

**Development #12 AMP 27**

<u>Name of Public Housing Project:</u> <u>Stevens</u>	<u>PIC Development ID:</u> <u>AR004000027</u>	Conversion type, <u>PBV:</u>	<u>Transfer of Assistance:</u> <u>NO</u>
<u>Total Units: 8</u>	<u>Pre- RAD Unit Type, Family:</u>	Post-RAD Unit <u>Type, Family</u>	<u>Capital Fund allocation of Development:</u> <u>\$300,000.00</u>
<b>Bedroom Type</b>	<b>Number of Units Pre-Conversion</b>	<b>Number of Units Post-Conversion</b>	<b>Change in Number of Units per Bedroom Type and Why (De Minimis Reduction, Transfer of Assistance, Unit Reconfigurations, etc.)</b>
Studio/Efficiency	0	0	
One Bedroom	1	1	
Two Bedroom	5	5	
Three bedroom	2	2	

**Resident Rights, Participation, Waiting List and Grievance Procedures**

**If converting to PBV:** (Insert PIH Notice 2012-32, REV-3 Section 1.6.C & Section 1.6.D, and Joint Housing/PIH Notice H-2014-09/ PIH-2014-17, as a whole, into this Attachment to your PHA Plan)

.....  
**Section 1.6.C. & 1.6.D.**

**C. PBV Resident Rights and Participation.**

- 1. No Rescreening of Tenants upon Conversion.** Pursuant to the RAD Statute, at conversion, current households cannot be excluded from occupancy at the Covered Project based on any rescreening, income eligibility, or income targeting. With respect to occupancy in the Covered Project, current households in the Converting Project will be grandfathered for application of any eligibility criteria to conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion.<sup>1</sup> Post-conversion, the tenure of all residents of the Covered Project is protected pursuant to PBV requirements regarding continued occupancy unless explicitly modified in this Notice (e.g., rent phase-in provisions). For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting of tenants for initial occupancy, will not apply for current households. Once the grandfathered household moves out, the unit must be leased to an eligible family. MTW agencies may not alter this requirement. Further, so as to facilitate the right to return to the assisted property, this provision shall apply to current public housing residents of the Converting Project that will reside in non-RAD PBV units or non-RAD PBRA units placed in a project that contain RAD PBV units or RAD PBRA units. Such families and such contract units will otherwise be subject to all requirements of the applicable program, specifically 24 CFR § 983 for non-RAD PBV units and the PBRA requirements governing the applicable contract for non-RAD PBRA units.<sup>2</sup>
- 2. Right to Return.** See section 1.4.A.5(ii) and the RAD Fair Housing, Civil Rights, and Relocation Notice regarding a resident's right to return.
- 3. Renewal of Lease.** Since publication of the PIH Notice 2012-32 Rev 1, the regulations under 24 CFR part 983 have been amended requiring Project Owners to renew all leases upon lease expiration, unless cause exists. MTW agencies may not alter this requirement.
- 4. Phase-in of Tenant Rent Increases.** If a tenant's monthly rent increases by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over 3 or 5 years. To implement this provision, HUD is specifying alternative requirements

---

<sup>1</sup> These protections (as well as all protections in this Notice for current households) also apply when a household is relocated to facilitate new construction or repairs following conversion and subsequently returns to the Covered Project.

<sup>2</sup> For non-RAD PBV households, applicable program requirements includes the requirement that any admission to the project must be initially eligible for a HAP payment at admission to the program, which means their TTP may not exceed the gross rent for the unit at that time.

for section 3(a)(1) of the Act, as well as 24 CFR § 983.3 (definition of “total tenant payment” (TTP)) to the extent necessary to allow for the phase-in of tenant rent increases. A PHA must create a policy setting the length of the phase-in period at three years, five years or a combination depending on circumstances. For example, a PHA may create a policy that uses a three year phase-in for smaller increases in rent and a five year phase-in for larger increases in rent. This policy must be in place at conversion and may not be modified after conversion. The method described below explains the set percentage-based phase-in a Project Owner must follow according to the phase-in period established. For purposes of this section “Calculated PBV TTP” refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the “most recently paid TTP” refers to the TTP recorded on line 9j of the family’s most recent HUD Form 50058. If a family in a project converting from Public Housing to PBV was paying a flat rent immediately prior to conversion, the PHA should use the flat rent amount to calculate the phase-in amount for Year 1, as illustrated below.

#### Three Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP or flat rent and the Calculated PBV TTP
- Year 2: Year 2 Annual Recertification (AR) and any Interim Recertification (IR) prior to Year 3 AR – 50% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 3: Year 3 AR and all subsequent recertifications – Full Calculated PBV TTP<sup>3</sup>

#### Five Year Phase in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 20% of difference between most recently paid TTP or flat rent and the Calculated PBV TTP
- Year 2: Year 2 AR and any IR prior to Year 3 AR – 25% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 3: Year 3 AR and any IR prior to Year 4 AR – 33% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 4: Year 4 AR and any IR prior to Year 5 AR – 50% of difference between most recently paid TTP and the Calculated PBV TTP
- Year 5 AR and all subsequent recertifications – Full Calculated PBV TTP

*Please Note:* In either the three year phase-in or the five-year phase-in, once the Calculated PBV TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay

---

<sup>3</sup> For example, where a resident’s most recently paid TTP is \$100, but the Calculated PBV TTP is \$200 and remains \$200 for the period of the resident’s occupancy, (i.e. no changes in income) the resident would continue to pay the same rent and utilities for which it was responsible prior to conversion. At the first recertification following conversion, the resident’s contribution would increase by 33% of \$100 to \$133. At the second AR, the resident’s contribution would increase by 50% of the \$66 differential to the standard TPP, increasing to \$166. At the third AR, the resident’s contribution would increase to \$200 and the resident would continue to pay the Calculated PBV TTP for the duration of their tenancy.

full TTP from that point forward. MTW agencies must also implement a three or five-year phase-in for impacted residents, but may alter the terms above as long as it establishes a written policy setting forth the alternative terms.

- 5. Family Self Sufficiency (FSS) and Resident Opportunities and Self Sufficiency Service Coordinator (ROSS-SC) programs.** Public Housing residents that are currently FSS participants will continue to be eligible for FSS once their housing is converted under RAD. The PHA may continue to use any FSS funds already awarded to serve those FSS participants who live in units converted by RAD. At the completion of the FSS grant, PHAs should follow the normal closeout procedures outlined in the grant agreement. If the PHA continues to run an FSS program that serves PH and/or HCV participants, the PHA will continue to be eligible (subject to NOFA requirements) to apply for FSS funding and may use that funding to serve PH, HCV and/or PBRA participants in its FSS program. Due to the program merger between PH FSS and HCV FSS that took place pursuant to the FY14 Appropriations Act (and was continued in the subsequent Appropriation Acts), no special provisions are required to continue serving FSS participants that live in public housing units converting to PBV under RAD.

However, PHAs should note that there are certain FSS requirements (e.g., escrow calculation and escrow forfeitures) that apply differently depending on whether the FSS participant is a participant under the HCV program or a public housing resident, and PHAs must follow such requirements accordingly. All PHAs will be required to administer the FSS program in accordance with FSS regulations at 24 CFR part 984, the participants' contracts of participation, and the alternative requirements established in the "Waivers and Alternative Requirements for the FSS Program" Federal Register notice, published on December 29, 2014, at 79 FR 78100.<sup>4</sup> Further, upon conversion to PBV, already escrowed funds for FSS participants shall be transferred into the HCV escrow account and be considered TBRA funds, thus reverting to the HAP account if forfeited by the FSS participant.

For information on FSS PIC reporting requirements for RAD conversions, see Notice PIH 2016-08 at <http://portal.hud.gov/hudportal/documents/huddoc?id=pih2016-08.pdf>.

Current ROSS-SC grantees will be able to finish out their current ROSS-SC grants once their housing is converted under RAD. However, once the property is converted, it will no longer be eligible to be counted towards the unit count for future ROSS-SC grants, nor will its residents be eligible to be served by future ROSS-SC grants, which, by statute, can only serve public housing residents. At the completion of the ROSS-SC grant, PHAs should follow the normal closeout procedures outlined in the grant agreement. Please note that ROSS-SC

---

<sup>4</sup> The funding streams for the PH FSS Program and the HCV FSS Program were first merged pursuant to the FY 2014 appropriations act. As a result, PHAs can serve both PH residents and HCV participants, including PBV participants, with FSS funding awarded under the FY 2014 FSS Notice of Funding Availability (FSS NOFA) and any other NOFA under which the combination of funds remains in the applicable appropriations act. For PHAs that had managed both programs separately and now have a merged program, a conversion to PBV should not impact their FSS participants.

grantees may be a non-profit or local Resident Association and this consequence of a RAD conversion may impact those entities.

- 6. Resident Participation and Funding.** In accordance with Attachment 1B, residents of Covered Projects with assistance converted to PBV will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding.
- 7. Resident Procedural Rights.** The following items must be incorporated into both the Section 8 Administrative Plan and the Project Owner's lease, which includes the required tenancy addendum, as appropriate. Evidence of such incorporation may be requested by HUD for purposes of monitoring the program.
  - i. Termination Notification.** HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert assistance under RAD. In addition to the regulations at 24 CFR § 983.257 related to Project Owner termination of tenancy and eviction (which MTW agencies may not alter) the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall be :
    - a. A reasonable period of time, but not to exceed 30 days:
      - i. If the health or safety of other tenants, Project Owner employees, or persons residing in the immediate vicinity of the premises is threatened; or
      - ii. In the event of any drug-related or violent criminal activity or any felony conviction;
    - b. Not less than 14 days in the case of nonpayment of rent; and
    - c. Not less than 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.
  - ii. Grievance Process.** Pursuant to requirements in the RAD Statute, HUD is establishing additional resident procedural rights to comply with section 6 of the Act.

For issues related to tenancy and termination of assistance, PBV program rules require the Project Owner to provide an opportunity for an informal hearing, as outlined in 24 CFR § 982.555. RAD will specify alternative requirements for 24 CFR § 982.555(b) in part, which outlines when informal hearings are not required, to require that:

- a. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi),<sup>5</sup> an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a Project Owner action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.

---

<sup>5</sup> § 982.555(a)(1)(iv) is not relevant to RAD as the tenant-based certificate program has been repealed.

- i. For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program. The hearing officer must be selected in accordance with 24 CFR § 982.555(e)(4)(i).
  - ii. For any additional hearings required under RAD, the Project Owner will perform the hearing.
- b. There is no right to an informal hearing for class grievances or to disputes between residents not involving the Project Owner or contract administrator.
- c. The Project Owner gives residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR § 982.555(a)(1)(i)-(vi).
- d. The Project Owner provides opportunity for an informal hearing before an eviction.

Current PBV program rules require that hearing procedures must be outlined in the PHA's Section 8 Administrative Plan.

1. **Earned Income Disregard (EID).** Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described in Section 1.6.C.4; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.

Under the Housing Choice Voucher program, the EID exclusion is limited only to persons with disabilities (24 CFR § 5.617(b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in 24 CFR § 5.617(b) limiting EID to disabled persons is waived. The waiver, and resulting alternative requirement, apply only to tenants receiving the EID at the time of conversion. No other tenant (e.g., tenants that move into the property following conversion or tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion due to loss of employment) is covered by this waiver.

2. **Jobs Plus.** Jobs Plus grantees awarded FY14 and future funds that convert the Jobs Plus target projects(s) under RAD will be able to finish out their Jobs Plus period of performance at that site unless significant relocation and/or change in building occupancy is planned. If either is planned at the Jobs Plus target project(s), HUD may allow for a modification of the Jobs Plus work plan or may, at the Secretary's discretion, choose to end the Jobs Plus program at that project.
3. **When Total Tenant Payment Exceeds Gross Rent.** Under normal PBV rules, the PHA may select an occupied unit to be included under the PBV HAP Contract only if the unit's occupants are eligible for housing assistance payments (24 CFR § 983.53(c)). Also, a PHA

must remove a unit from the contract when no assistance has been paid for 180 days because the family's TTP has risen to a level that is equal to or greater than the contract rent, plus any utility allowance, for the unit (i.e., the Gross Rent)) (24 CFR § 983.258). Since the rent limitation under this Section of the Notice may result in a family's TTP equaling or exceeding the gross rent for the unit, for residents living in the Converting Project prior to conversion and who will return to the Covered Project after conversion, HUD is waiving both of these provisions and requiring that the unit for such families be placed on and/or remain under the HAP Contract when TTP equals or exceeds the Gross Rent. Further, HUD is establishing the alternative requirement that until such time that the family's TTP falls below the gross rent, the rent to the owner for the unit will equal the lesser of (a) the family's TTP, less the Utility Allowance, or (b) any applicable maximum rent under LIHTC regulations. When the family's TTP falls below the gross rent, normal PBV rules shall apply. As necessary to implement this alternative provision, HUD is waiving the provisions of Section 8(o)(13)(H) of the Act and the implementing regulations at 24 CFR § 983.301 as modified by Section 1.6.B.5 of this Notice.<sup>6</sup> In such cases, the resident is considered a participant under the program and all of the family obligations and protections under RAD and PBV apply to the resident. Likewise, all requirements with respect to the unit, such as compliance with the HQS requirements, apply as long as the unit is under HAP Contract. The PHA is required to process these individuals through the Form 50058 submodule in PIC.

Following conversion, 24 CFR § 983.53(d) applies, and any new families referred to the RAD PBV project must be initially eligible for a HAP payment at admission to the program, which means their TTP may not exceed the gross rent for the unit at that time. Further, a PHA must remove a unit from the contract when no assistance has been paid for 180 days. If units are removed from the HAP contract because a new admission's TTP comes to equal or exceed the gross rent for the unit and if the project is fully assisted, HUD is imposing an alternative requirement that the PHA must reinstate the unit after the family has vacated the property. If the project is partially assisted, the PHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR §983.207 or, where "floating" units have been permitted, Section 1.6.B.10 of this Notice.

- 4. Under-Occupied Unit.** If a family is in an under-occupied unit under 24 CFR § 983.260 at the time of conversion, the family may remain in this unit until an appropriate-sized unit becomes available in the Covered Project. When an appropriate sized unit becomes available in the Covered Project, the family living in the under-occupied unit must move to the appropriate-sized unit within a reasonable period of time, as determined by the administering Voucher Agency. In order to allow the family to remain in the under-occupied unit until an appropriate-sized unit becomes available in the Covered Project, 24 CFR § 983.260 is waived. MTW agencies may not modify this requirement.

---

<sup>6</sup> For example, a public housing family residing in a property converting under RAD has a TTP of \$600. The property has an initial Contract Rent of \$500, with a \$50 Utility Allowance. Following conversion, the residents is still responsible for paying \$600 in tenant rent and utilities.



#### **D. PBV: Other Miscellaneous Provisions**

- 1. Access to Records, Including Requests for Information Related to Evaluation of Demonstration.** PHAs and the Project Owner must cooperate with any reasonable HUD request for data to support program evaluation, including but not limited to project financial statements, operating data, Choice-Mobility utilization, and rehabilitation work. Please see Appendix IV for reporting units in Form HUD-50058.
- 2. Additional Monitoring Requirement.** The Owner must submit to the administering PHA and the PHA's Board must approve the operating budget for the Covered Project annually in accordance with HUD requirements.<sup>7</sup>
- 3. Davis-Bacon Act and Section 3 of the Housing and Urban Development Act of 1968 (Section 3).** This section has been moved to 1.4.A.13 and 1.4.A.14.
- 4. Establishment of Waiting List.** 24 CFR § 983.251 sets out PBV program requirements related to establishing and maintaining a voucher-wide, PBV program-wide, or site-based waiting list from which residents for the Covered Project will be admitted. These provisions will apply unless the project is covered by a remedial order or agreement that specifies the type of waiting list and other waiting list policies. The PHA shall consider the best means to transition applicants from the current public housing waiting list, including:
  - i.** Transferring an existing site-based waiting list to a new site-based waiting list.
  - ii.** Transferring an existing site-based waiting list to a PBV program-wide or HCV program-wide waiting list.
  - iii.** Transferring an existing community-wide public housing waiting list to a PBV program-wide or HCV program-wide waiting list, an option particularly relevant for PHAs converting their entire portfolio under RAD.
  - iv.** Informing applicants on a community-wide public housing waiting list how to transfer their application to one or more newly created site-based waiting lists.

For any applicants on the public housing waiting list that are likely to be ineligible for admission to a Covered Project converting to PBV because the household's TTP is likely to exceed the RAD gross rent, the PHA shall consider transferring such household, consistent with program requirements for administration of waiting lists, to the PHA's remaining public housing waiting list(s) or to another voucher waiting list, in addition to transferring such household to the waiting list for the Covered Project.

To the extent any wait list relies on the date and time of application, the applicants shall have priority on the wait list(s) to which their application was transferred in accordance with the date and time of their application to the original waiting list.

---

<sup>7</sup> For PBV conversions that are not FHA-insured, a future HUD notice will describe project financial data that may be required to be submitted by a PBV owner for purposes of monitoring and evaluation, given that PBV projects do not submit annual financial statements to HUD/REAC.

If the PHA is transferring assistance to another neighborhood and, as a result of the transfer of the waiting list, the applicant would only be eligible for a unit in a location which is materially different from the location to which the applicant applied, the PHA must notify applicants on the wait-list of the transfer of assistance, and on how they can apply for residency at other sites.

If using a site-based waiting list, PHAs shall establish a waiting list in accordance with 24 CFR § 903.7(b)(2)(ii)-(iv) to ensure that applicants on the PHA's public housing community-wide waiting list have been offered placement on the Covered Project's initial waiting list. In all cases, PHAs have the discretion to determine the most appropriate means of informing applicants on the public housing community-wide waiting list given the number of applicants, PHA resources, and admissions requirements of the projects being converted under RAD. A PHA may consider contacting every applicant on the public housing waiting list via direct mailing; advertising the availability of housing to the population that is less likely to apply, both minority and non-minority groups, through various forms of media (e.g., radio stations, posters, newspapers) within the marketing area; informing local non-profit entities and advocacy groups (e.g., disability rights groups); and conducting other outreach as appropriate. Any activities to contact applicants on the public housing waiting list must be conducted in accordance with the requirements for effective communication with persons with disabilities at 24 CFR § 8.6 and with the obligation to provide meaningful access for persons with limited English proficiency (LEP).<sup>8</sup>

A PHA must maintain any site-based waiting list in accordance with all applicable civil rights and fair housing laws and regulations.

To implement this provision, HUD is specifying alternative requirements for 24 CFR § 983.251(c)(2). However, after the initial waiting list has been established, the PHA shall administer its waiting list for the Covered Project in accordance with 24 CFR § 983.251(c).

- 5. Mandatory Insurance Coverage.** The Covered Project shall maintain at all times commercially available property and liability insurance to protect the project from financial loss and, to the extent insurance proceeds permit, promptly restore, reconstruct, and/or repair any damaged or destroyed project property.
- 6. Agreement Waiver.** This section has been moved to 1.6.B.8.
- 7. Future Refinancing.** Project Owners must receive HUD approval for any refinancing or restructuring of secured debt during the HAP Contract term to ensure the financing is consistent with long-term preservation of the Covered Project. With respect to any financing

---

<sup>8</sup> For more information on serving persons with LEP, please see HUD's Final guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (72 FR 2732), published on January 22, 2007.

contemplated at the time of conversion (including any permanent financing which is a conversion or take-out of construction financing), such consent may be evidenced through the RCC.

- 8. Administrative Fees for Public Housing Conversions during the Year of Conversion.** For the remainder of the Calendar Year in which the HAP Contract becomes effective (i.e., the “year of conversion”), RAD PBV projects will be funded with public housing funds. For example, if the project’s assistance converts effective July 1, 2015, the public housing ACC between the PHA and HUD will be amended to reflect the number of units under HAP Contract, but will be for zero dollars, and the RAD PBV HAP Contract will be funded with public housing money for July through December 2015. Since TBRA is not the source of funds, PHAs should not report leasing and expenses into VMS during this period, and PHAs will not receive section 8 administrative fee funding for converted units during this time.

PHAs operating HCV program typically receive administrative fees for units under a HAP Contract, consistent with recent appropriation act references to “section 8(q) of the [United States Housing Act of 1937] and related appropriations act provisions in effect immediately before the Quality Housing and Work Responsibility Act of 1998” and 24 CFR § 982.152(b). During the year of conversion mentioned in the preceding paragraph, these provisions are waived. PHAs will not receive Section 8 administrative fees for PBV RAD units during the year of conversion.

After the year of conversion, the Section 8 ACC will be amended to include Section 8 funding that corresponds to the units covered by the Section 8 ACC. At that time, the regular Section 8 administrative fee funding provisions will apply.

- 9. Choice-Mobility.** One of the key features of the PBV program is the mobility component, which provides that if the family has elected to terminate the assisted lease at any time after the first year of occupancy in accordance with program requirements, the PHA must offer the family the opportunity for continued tenant-based rental assistance, in the form of either assistance under the voucher program or other comparable tenant-based rental assistance.

If as a result of participation in RAD a significant percentage of the PHA’s HCV program becomes PBV assistance, it is possible for most or all of a PHA’s turnover vouchers to be used to assist those RAD PBV families who wish to exercise mobility. While HUD is committed to ensuring mobility remains a cornerstone of RAD policy, HUD recognizes that it remains important for the PHA to still be able to use tenant-based vouchers to address the specific housing needs and priorities of the community. Therefore, HUD is establishing an alternative requirement for PHAs where, as a result of RAD, the total number of PBV units (including RAD PBV units) under HAP Contract administered by the PHA exceeds 20 percent of the PHA’s authorized units under its HCV ACC with HUD.

The alternative mobility policy provides that an eligible voucher agency would not be required to provide more than three-quarters of its turnover vouchers in any single year to the residents of Covered Projects. While a voucher agency is not required to establish a voucher

inventory turnover cap, if such a cap is implemented, the voucher agency must create and maintain a waiting list in the order in which the requests from eligible households were received. In order to adopt this provision, this alternative mobility policy must be included in an eligible PHA's administrative plan.

To effectuate this provision, HUD is providing an alternative requirement to Section 8(o)(13)(E) of the Act and 24 CFR § 983.261(c). Please note that this alternative requirement does not apply to PBVs entered into outside of the context of RAD. MTW agencies may not alter this requirement.

**10. Reserve for Replacement.** The Project Owner shall establish and maintain a replacement reserve in an interest-bearing account to aid in funding extraordinary maintenance and repair and replacement of capital items in accordance with applicable regulations. The reserve must be built up to and maintained at a level determined by HUD to be sufficient to meet projected requirements. For FHA transactions, Replacement Reserves shall be maintained in accordance with the FHA Regulatory Agreement. For all other transactions, Replacement Reserves shall be maintained in a bank account or similar instrument, as approved by HUD, where funds will be held by the Project Owner or mortgagee and may be drawn from the reserve account and used subject to HUD guidelines.

# Attachment “1”

**ADMINISTRATIVE PLAN**

**FOR THE**

**SECTION 8 VOUCHER PROGRAM**



## TABLE OF CONTENTS

### Chapter 1

#### STATEMENT OF POLICIES AND OBJECTIVES

<del>1.1</del> <u>A</u>	HOUSING AU
<del>1.2</del> <u>B</u>	LOCAL GOAL
<del>1.3</del> <u>C</u>	PURPOSE O
<del>1.4</del> <u>D</u>	RULES AND REGULATIONS.....1
<del>1.5</del> <u>E</u>	UNRESTRICTED NET ASSETS.....2
<del>F</del>	FAIR HOUSING
<del>POLICY</del>	<del>.....2</del> <u>1.6</u> ..... FAIR HOUSIN
<del>G</del>	REASONABLE ACCOMMODATIONS
<del>POLICY</del>	<del>.....3</del> <u>1.7</u> ..... REASONABL
<del>H</del>	PRIVACY
<del>RIGHTS</del>	<del>.....5</del> <u>1.8</u> ..... PRIVACY RIC
<del>1.9</del> <u>I</u>	OUTREACH.....5
<del>1.10</del> <u>J</u>	COMMUNICATIONMETHOD OF CONTACT
<del>.....</del>	<del>.....</del> <u>56</u>
<del>K</del> <u>1.11</u>	SPECIAL PROGRAMS...PROGRAMS
<del>.....</del>	<del>.....</del> <u>56</u>

### Chapter 2

#### ELIGIBILITY FOR ADMISSIONS

<del>A</del>	ELIGIBILITY
<del>FACTORS</del>	<del>.....9</del> <u>2.1</u> ..... ELIGIBILITY I
<del>B</del>	FAMILYOMPOSITION.....Erro
	r! Bookmark not defined.
<del>C</del>	MANDATORY SOCIAL SECURITY NUMBERS.....10
<del>2</del> <u>D</u>	TENANT
<del>2</del> <u>D</u>	SCREENING.....10
<del>2.3</del> <u>E</u>	ILLEGAL
<del>DISCRIMINATION</del>	<del>.....8</del> <u>9</u>
<del>2.4</del> <u>F</u>	CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE
<del>CONTRACT</del>	<del>.....</del> <u>10</u>

### Chapter 3

## APPLYING FOR ADMISSION

<del>3.1 A. OVERVIEW OF THE APPLICATION TAKING PROCESS</del>	<del>.....</del>	<del>11</del>
<del>3.2 B. OPENING/CLOSING OF APPLICATION TAKING</del>	<del>.....</del>	<del>161</del>
<del>3.3 C. "INITIAL" APPLICATION PROCEDURES</del>	<del>.....</del>	<del>171</del>
<del>3.4 D. APPLICANT STATUS WHILE ON WAITING LIST</del>	<del>.....</del>	<del>173</del>
<del>E. COMPLETION OF A FULL APPLICATION</del>	<del>.....</del>	<del>18</del>

## Chapter 4

### ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

<del>4.1 A. WAITING LIST</del>	<del>.....</del>	<del>20</del>
<del>B. ORDER OF SELECTION</del>	<del>.....</del>	<del>20</del>
<del>C. LOCAL PREFERENCES</del>	<del>.....</del>	<del>215</del>
<del>4.2 D. INCOME TARGETING</del>	<del>.....</del>	<del>255</del>
<del>4.3 E. REMOVAL FROM WAITING LIST AND PURGING</del>	<del>.....</del>	<del>266</del>
<del>4.4 F. SPECIAL ADMISSIONS</del>	<del>.....</del>	<del>267</del>
<del>4.5 VERIFICATION OF PREFERENCES</del>	<del>.....</del>	<del>267</del>
<del>4.6 INCOME TARGETING</del>	<del>.....</del>	<del>17</del>
<del>4.4 SPECIAL ADMISSIONS</del>	<del>.....</del>	<del>268</del>

## Chapter 5



## SUBSIDY STANDARDS

<u>5.1</u> <del>A.</del> DETERMINING FAMILY UNIT (VOUCHER) SIZE.....	<u>16</u> <del>9</del> .....
<u>5.2</u> DECREASE IN FAMILY COMPOSITION.....	<u>20</u>
<u>5.3</u> ABSENT FROM UNIT.....	<u>20</u>
<u>5.4</u> FAMILY DISSOLUTION.....	<u>22</u>
<u>5.5</u> RETENTION OF VOUCHER.....	<u>23</u>
<u>5.6</u> INCREASE IN FAMILY COMPOSITION.....	<u>23</u>
<u>5.7</u> VISITORS.....	<u>24</u>

## Chapter 6

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

<u>6.1</u> <del>A.</del> MINIMUM RENT.....	<u>20</u> <del>5</del> .....
<u>6.2</u> <del>B.</del> DEFINITION OF TEMPORARY /PERMANENT ABSENCE FROM UNIT <u>HARDSHIP</u> REQUESTS.....	<u>21</u> <del>5</del> .....
<u>6.3</u> <del>C.</del> VISITORS AND REPORTING ADDITIONS <u>AVERAGING</u> <u>INCOME</u> .....	<u>25</u> <del>6</del> .....
<del>D.</del> AVERAGING INCOME.....	<del>26</del> .....

## Chapter 7

### VOUCHER ISSUANCE AND BRIEFINGS

<u>7.1</u> <del>A.</del> ISSUANCE OF VOUCHERS.....	<u>27</u> .....
<u>7.2</u> <del>B.</del> BRIEFING ..... <del>TYPES AND</del> <del>REQUIRED ATTENDANCE</del> .....	<u>27</u> .....
<u>7.3</u> <del>C.</del> TERM OF VOUCHER.....	<u>27</u> .....
<del>D.</del> FAMILY DISSOLUTION.....	<del>28</del> .....

<del>E. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER.....</del>	<del>28</del>
---	---------------

## Chapter 8

### HOUSING QUALITY STANDARDS AND INSPECTIONS

<del>8.1A. TYPES OF INSPECTIONS.....</del>	<del>30</del> <u>29</u>
<u>8.2 INSPECTION GUIDELINES.....</u>	<u>31</u>
<u>8.3 REPAIRS.....</u>	<u>31</u>

## Chapter 9

### OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

<del>9.1A. RENT TO OWNER: REASONABLE RENT.....</del>	<del>33</del>
<del>B</del> <u>9.2</u> RENT INCREASE REQUESTS.....	<del>33</del>
<del>9.3B. PAYMENT STANDARDS FOR THE VOUCHER PROGRA.....</del>	<del>33</del>

## Chapter 10

### RECERTIFICATIONS

<del>10.1A. ....</del>	<del>FAILURE TO</del>
<del>10B.2 ....</del>	<del>FAILURE TO</del>
<u>10.3 REPORTING CHANGES IN INCOME.....</u>	<u>36</u>

## Chapter 11

### MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

<del>11.1A. ....</del>	<del>RESTRICTION</del>
<del>11.2B. ....</del>	<del>PROCEDURE</del>
<del>11C.3 ....</del>	<del>PORTABILITY</del>
<u>11.4 RETRACTION OF REQUEST FOR RTA.....</u>	<u>38</u>
<u>11.5 PORTABILITY.....</u>	<u>38</u>

<u>12.1A.</u>	.....	FOUNDATIONS FOR DISAPPROVAL AND RESTRICTION
<u>12.2B.</u>	.....	TERMINATION OF CONTRACT
<u>12.3C.</u>	.....	NOTICE OF DENIAL/TERMINATION
<u>12.4D.</u>	.....	OWNER DISAPPROVAL AND RESTRICTION
<u>12.5</u>	<u>NOTICE OF DENIAL/TERMINATION.....</u>	<u>44</u>
<u>12.6</u>	<u>OWNER DISAPPROVAL AND RESTRICTION.....</u>	<u>45</u>

<u>13.1A.</u>	.....	PAYMENT AC
<u>13.2B.</u>	.....	DEBTS DUE
<u>13.3C.</u>	.....	GUIDELINES
D. OWNER DEBTS TO MHA.	.....49	
E. OTHER REQUIREMENTS.	.....49	

A. COMPLAINTS TO MHA.....72

14.1 B. .... INFORMAL R

C. INFORMAL HEARING PROCEDURES.....73

14.2 D. .... HEARING AN

A. ACRONYMS USED IN SUBSIDIZED HOUSING.....508

~~B. GLOSSARY OF TERMS IN SUBSIDIZED HOUSING.....78~~

B.C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE.....	9370
---	------

## **ADDENDUMS**

ADDENDUM “A” – HOMEOWNERSHIP PLAN .....	73
ADDENDUM “B” – STUDENT RULE .....	85
ADDENDUM “C” - VIOLENCE AGAINST WOMEN ACT (VAWA).....	87

## Chapter 1

### STATEMENT OF POLICIES AND OBJECTIVES

#### **A1.1. HOUSING AUTHORITY MISSION STATEMENT**

- A. 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.

#### **B1.2. LOCAL GOALS**

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

#### **C1.3. PURPOSE OF THE ADMINISTRATIVE PLAN [24 CFR 982.54]**

- A. 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~~ 10-01-02.
- B. 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.
- C. This Administrative Plan is a supporting document to MHA Agency Plan, and is available for public review as required by CFR 24 Part 903.
- D. Applicable regulations include:
  - (1) 24 CFR Part 5: General Program Requirements
  - (2) 24 CFR Part 8: Nondiscrimination
  - (3) 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program

#### **D1.4. RULES AND REGULATIONS [24 CFR 982.52]**

- A. 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.

- B. 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.

#### **E1.5. UNRESTRICTED NET ASSETS** [24 CFR 982.54(d)(21); PIH 2011-27]

- A. ~~Expen~~nditures 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.

#### **F1.6. FAIR HOUSING POLICY** [24 CFR 982.54(d)(6)]

- A. ~~I~~t 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.
- B. 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.
- C. 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.
- D. 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.
- ~~D.~~E. 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.

F. 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

~~E.G.~~ 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.

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

#### **G1.7. REASONABLE ACCOMMODATIONS POLICY [24 CFR 100.202]**

~~A.~~ 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.

B. 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.

C. 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.

~~B.D.~~ 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.

~~G.E.~~ 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:

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

~~(2) A record of such impairment; or~~

~~(3) Being regarded as having such an impairment.~~

(2) Rehabilitated former drug users and alcoholics are covered under the ADA.

(i) -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.

(ii) Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition.

~~(i)~~(iii) Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

~~D.F.~~        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.

~~E.~~ 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.

G.

~~(4)~~ An undue administrative burden is one that requires a fundamental alteration of the essential functions of MHA (i.e., waiving a family obligation).

(1)

(2) 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. .

H. MHA will provide a written decision to the person requesting the accommodation within a reasonable time.

~~F.I.~~ 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.

J. Reasonable accommodation will be made for persons with a disability that requires an advocate or accessible offices.

(1) A designee will be allowed to provide some information, but only with the permission of the person with the disability.

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



### **H1.8. PRIVACY RIGHTS** [24 CFR 982.551 and 24 CFR 5.212]

- A. 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.
- B. MHA's policy regarding release of information is in accordance with State and local laws which may restrict the release of family information.
- C. 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.
  - (1) The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration.
  - ~~(4)~~(2) All requests for access and granting of accommodations based on this information must be approved by the Executive Director's designee.
- D. MHA's practices and procedures are designed to safeguard the privacy of applicants and program participants.
- ~~C.~~ All applicant and participant files will be stored in a secure location which is only accessible by authorized staff.
- E.
- ~~D.F.~~ 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.

### **H1.9. OUTREACH**

- A. 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.
- ~~A.~~ 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.
- B.

~~B.~~ 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.

#### ~~C. Families~~

~~C.~~

~~D.~~ 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.

~~D.~~

#### ~~E. Owners~~

~~F.~~ E. 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.

F. MHA encourages participation and will actively recruit property owners of suitable units located outside areas of poverty or minority concentration.

G. MHA maintains a list of units located in all neighborhoods that are available for the Section 8 Program and updates this list regularly.

(1) When listings from owners are received, they will be compiled ~~by bedroom size~~ and will be provided online, at MHA offices per request, and at ~~and at~~ briefings to applicants/participants looking for rental units.

H. 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.

### ~~J1.10. SOURCE METHOD OF CONTACT~~

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

(1) MHA is not responsible for lost or delayed mail/email caused by another party.

## **1.11K. SPECIAL PROGRAMS**

A. MHA administers ~~up to 2,263~~ vouchers from the Annual Contributions Contract.

(1) ~~179~~ Some of these vouchers are reserved for Veteran Affairs Subsidized Housing (VASH).

(i) MHA fills the VASH vouchers through referrals from the local Veteran Affairs office.

B. MHA also administers the following additional vouchers: ~~funded by a~~

(1) ~~-~~ Moderate Rehab Single Room Occupancy (SRO) referred to as “Elm Street”

(i) Elm Street is a MHA-owned moderate rehab SRO property managed by a private management company that houses homeless individuals.

(2) Mainstream Vouchers

(i) A sub-set of the Housing Choice Voucher program housing families that include a non-elderly person with a disability.

~~and~~

(3) Project Based Vouchers

(i) Project Based Vouchers (PBVs) are vouchers designated to MHA owned properties and are managed by a private management company.

C. ~~-~~ 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.

### 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.

### Project Based Vouchers

See Project Based Voucher section of this Administrative Plan.

## **Chapter 2**

### **ELIGIBILITY FOR ADMISSION**

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

## **2. A1. ELIGIBILITY FACTORS** [982.201(b)]

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

(1) An applicant must be a "family"

(i) 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.

(2) An applicant must be within the appropriate Income Limits

(i) Eligible household's income must not exceed the income limit at 80% of median income set by HUD.

(ii) PBV eligible household's income must not exceed the income limit for tax credit properties for PBV applicants. The income limit may differ for each PBV site.

~~(i)(iii)~~ MHA will not issue a voucher to eligible households that would pay 100% of the contract rent using HUD's rent calculations.

(3) An applicant must furnish all requested documents requested by MHA including but not limited to the following:

~~(i)~~ Social Security Numbers for all family members. [24 CFR 5.216, 5.218, 5.233]. (a) 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. (b) Applicants for Section 8 Moderate Rehab Single-Room Occupancy (SRO), may be admitted without providing the requested documentation, but must provide it within 90 days of admission.

(i)

~~(ii)~~ Declaration of Citizenship or Eligible Immigrant Status and verification

~~(iii)~~ (ii) . 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.

(4) ~~Evidence of Citizenship/Eligible Immigrant Status~~ An applicant must meet the student rule. See Addendum B

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

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

## **B. 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 days of admission.~~

## **C2.2. TENANT SCREENING [24 CFR 982.307]**

A. MHA will conduct HUD required screening for eligibility purposes only.

~~(1)~~ 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.

### ~~(2) Information to Prospective Owners~~

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

~~A.B.~~ 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.

## **D2.3. ILLEGAL DISCRIMINATION**

A. MHA will advise families how to file a complaint if they have been discriminated against by an owner.

~~A.B. MHA will advise the family to make a Fair Housing complaint. The PM~~HA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

## **E2.4. CHANGES IN ELIGIBILITY PRIOR TO LEASING**

(1) 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.

(1) If the family reports a change in income after a pass inspection and before the lease is executed, MHA will recalculate eligibility using the change in income.

(2) If the family reports a change in income after a pass inspection and after the lease is executed, MHA will complete the initial certification using the original income and complete an interim using the change in income.

## **Chapter 3**

### **APPLYING FOR ADMISSION**

*[24 CFR 982.204]*

#### **3.1 ACCEPTING APPLICATIONS [24 CFR 982.206, 982.54(d)(1)]**

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

B. MHA uses a single waiting list for admission to its Moderate Rehab Program.

C. MHA uses a single waiting list for admission to each project-based voucher site.

D. MHA will advertise the opening of the waiting list 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.

(1) Information provided in the notice will include:

(i) The dates, times, and the locations where families may apply.

(ii) The program(s) for which applications will be taken.

(iii) A brief description of the program(s).

(iv) Limitations, if any, on who may apply.

(v) Closing date of the waiting list.

(vi) MHA address and telephone number.

(vii) Instructions for how to submit an application.

(viii) Information on eligibility requirements.

(ix) The availability of local preferences.

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

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

(i) Applications for Cumberland Towers, Parris Towers, and Jesse Powell Towers are always accepted.

### **3.2. ORDER OF SELECTION [24 CFR 982.207(e)]**

A. 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.

B. Applicants with more than one preference are ranked the same as applicants with only one preference.

C. 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.



- (1) Elm Street applications will be selected from the waiting list by date and time of the referral.
- D. Applicants without a preference will be ordered by date and time of application, after applicants in preference groups.
- E. Among applicants with equal preference status, the waiting list will be organized by date and time.
- F. Applicants will be selected from the waiting list in order of preference claimed, date and time.
- G. When an applicant claims 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.
- H. Bedroom size per MHA's subsidy standards is used when selecting project based applicants in addition to preference and date and time of application.
- I. MHA limits the amount of transfers of PBV vouchers to Section 8 vouchers to 25% of annual new admissions.
- J. MHA limits the amount of vouchers issued to homeless referrals to 100.

### **A3.3. OVERVIEW OF THE APPLICATION TAKING PROCESS**

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

A.

(1) Project-based voucher (PBV) holders may apply for a Section 8 voucher after one year of residence at the PBV property.

(i) Applications are accepted in the form of written requests using MHA's PBV Transition of Voucher Request Form.

(a) Applications are accepted at all times.

(ii) Applications added while the waitlist is closed will be denied if the PBV tenant moves from the PBV property prior to the new admission to the Section 8 Program.

(2) A referral from an approved agency rather than an electronic pre-application is required for Special Program and homeless preference applicants.

(i) Eligible applicants with a pre-application or a referral are issued a Mainstream voucher when funds are available.

(ii) Referrals are accepted at all times.

B. The application process will involve two phases.

(1) -Pre-application - The first phase is the "initial" application for assistance ~~(referred to as a pre-application).~~

(i) This first phase results in the family's placement on the waiting list.

~~(ii) 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.

~~(iii) 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:

~~(a)~~ Applicant name

(a)

~~(b)~~ Social Security Number

(b)

~~(c)~~ Contact information

(c)

~~(d)~~ Date and time of application

(d)

(e) Qualification for any local preference

(iv) MHA will not:

~~(e)~~ Accept duplicate applications

(a) .

~~(f)~~ Place ineligible families on the waiting list- . If the information provided by the applicant indicates ineligibility, the applicant will not be placed on the waitlist.

(b)

~~(g)~~ Conduct eligibility interviews during the opening period.

(c)

~~(h)~~ Verify the information on the pre-application until the applicant has been selected for final eligibility determination.

(d)

~~(i)~~ (e) Final eligibility will be determined when the full application process is completed and all information is verified.

(2) Full application - The second phase is the "final determination of eligibility".

(i) ~~-(referred to as the full application)-~~ The full application takes place when the family reaches the top of the waiting list. ~~At this time~~

~~(i)~~ 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.

(ii)

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

(iv) During the time of the full application process, applicants (head of household) and adult family members are required to participate in an interview with MHA staff to review the information on the full application form and provide requested documentation.

(a) Following a written request from an applicant to MHA, the full application and requested documents may be sent/received via mail or email for members of the household living outside of Central Arkansas.

(v) The applicant (head of household) is required to attend the scheduled interview appointment.

(a) If an applicant fails to appear for a scheduled appointment and/or fails to provide all requested documents, a second and final appointment will be scheduled.

(b) If MHA determines after accepting the full application that additional information or document(s) are needed, MHA will request the

document(s) or information in writing. The family will be given 15 days to supply the information.

(c) Failure to complete the screening process within two scheduled appointments will result in denial of the application with the exception of the 90-day extension required by the social security.

## **B. ACCEPTING APPLICATIONS [24 CFR 982.206, 982.54(d)(1)]**

### **A. Opening the Waiting List**

~~B. 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.~~

### **C. Closing the Waiting List**

~~C. 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 Elm Street and homeless preference do not close.*

**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. 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~~

~~MHA will not:~~

~~Accept duplicate applications~~

~~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.~~

**D3.4. APPLICATION STATUS** *[CFR 982.204]*

A. Applicants are required to submit an Applicant Information Change Form ~~inform~~ ~~MHA in writing of~~ to inform MHA of changes in contact information and preference.

(1) In addition to the requirement above, Project-Based Voucher applicants are required to inform MHA of changes in family composition.

B. Applicants are ~~also~~ required to respond to requests from MHA to ~~update information on their application and to~~ determine his or her ~~their~~ interest in assistance.

(1) Applicants who do not respond will be removed from the waiting list.

~~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.~~

~~NOTE: Project-Based Voucher applicants are required to inform MHA in writing of changes in family composition.~~

#### ~~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.~~

~~Applicants from the waiting list 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 and/or fails to provide all requested documents, a second and final appointment will be scheduled. Failure to complete the screening process within two scheduled appointments will result in denial of the application with the exception of the 90-day extension required by the social security rule (see Chapter 2, Section B).~~

~~NOTE: Following a written request from an applicant to MHA, the full application and requested documents may be sent/received via mail or email for members of the household living outside of Central Arkansas.~~

~~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 after accepting the full application that additional information or document(s) are needed, MHA will request the document(s) or information in writing. The family will be given 15 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.~~
- ~~— Note: MHA uses a single waiting list for admission to each project-based voucher site.~~

#### **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.~~

~~When an applicant claims 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: Elm Street applications will be selected from the waiting list by date and time of the referral. Preferences are not used for special admission waiting list.~~

~~NOTE: Bedroom size per MHA's subsidy standards is used when selecting project based applicants in addition to preference and date and time of application.~~

#### **4.1 LOCAL PREFERENCES [24 CFR 982.207]**

A. MHA uses working homeless preference, working preference, and non-elderly transitioning for:

(1) Section 8 tenant-based programs

B. MHA uses homeless preference and working preference for:

(1) Madison Heights Project-Based Program

(2) Metropolitan Village Project-Based Program

(3) Cumberland Manor Project-Based Program

(4) Jesse Powell Tower Project-Based Program

C. MHA uses elderly preference for:

(1) Parris Tower Project-Based Program

(2) Cumberland Tower Project-Based Program

## **4.2 HOMELESS PREFERENCE**

A. The homeless preference is given to families within MHA's jurisdiction experiencing homelessness who are referred by an approved homeless service organization.

(1) The number of families that qualify for a homeless preference is limited to 100 families and may vary based on voucher availability.

(2) MHA may leave the waiting list open only for the population qualified for the homeless preference while keeping it closed for all other applicants.

(3) PIH Definition of Homeless. An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

(i) 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

(ii) 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

(iii) 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:

(iv) 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

(v) Has no other residence; and

(vi) Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

#### **4.3 e and homeless preference.**

### **WORKING PREFERENCE**

A. A working preference is given to families whose Head of Household is and has been employed for the 60 days prior to the full application date or is active in accredited educational program designed to prepare the individual for the job market.

(1) This preference is automatically extended to elderly /disabled families ~~or families.~~

~~(i)~~ 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.~~

(i)

(ii) ~~NOTE:~~ Self-employment must be reported prior to the verification of preference. (a) Self-employment must be verifiable. For example, an applicant that is self-employed must report the income on the full application and provide sufficient documentation verifying the income.

#### **A. Homeless Preference**

~~—The homeless preference is given to families within MHA's jurisdiction experiencing homelessness who are referred by an approved homeless service organization.~~

~~(1) 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 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}~~

## ~~(2) PIH Definition of Homeless~~

~~(2) 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.~~

## **4.4 NON-ELDERLY DISABLED TRANSITIONING PREFERENCE**

A. A household that includes at least one non-elderly disabled person who meets one of the following criteria:

(1) Transitioning out of institutional or other segregated settings.

(2) At serious risk of institutionalization.

(3) Homeless.

(4) At risk of becoming homeless.

#### **4.5 VERIFICATION OF PREFERENCES** [24 CFR 982.207]

A. 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.

~~B.~~ Preference Denial [24 CFR 982.207].

B. If MHA denies a preference, MHA will notify the applicant in writing of the reasons why the preference was denied.

(1) The applicant will be returned to the waiting list without benefit of the preference.

(2) If the applicant falsifies documents or makes false statements in order to qualify for any preference, the application will be denied rather than returned to the waiting list with no preference.

**NOTE: Preferences are not used for special admission waiting list.**

#### **4.6D. INCOME TARGETING**

A. 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.

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

C. 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.

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

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

~~The waiting list will be purged periodically to ensure that the waiting list is current and accurate. Applicants will have 20 days from the date of the purge letter to respond. Not responding will result in the application being denied and removed from the waiting 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.)~~

#### **~~F4.7. SPECIAL ADMISSIONS~~** [24 CFR 982.54(d)(e), 982.203]

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

## Chapter 5

### SUBSIDY STANDARDS

[24 CFR 982.54(d)(9)]

#### **A5.1. DETERMINING FAMILY VOUCHER SIZE** [24 CFR 982.402]

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

A.B. For subsidy standards, an adult is a person 18 years old or older.

B.C. 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 will allocate one bedroom will be allowed for live-in aides. No additional bedrooms are provided for the aide's family.

D. An unborn child of a pregnant household member will be counted as a member when determining the voucher size.

(1) If not evident, the member must provide verification of the pregnancy in order to include the unborn child for subsidy standards.

C.E. ~~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.

#### **PHA Error**

F. If MHA errs in the voucher size and if the original voucher size ~~was~~ smaller than what the family should have received and:

(1) A HAP contract has not been signed by the landlord; the voucher size will be adjusted and the family will be advised of its new shopping range using the correct payment standard.

(2) A HAP Contract has been signed by the landlord when the error is identified, the voucher size will be adjusted retroactively.

(i) If the unit size does not meet HQS standards, ~~the family will be advised of its new shopping range if the unit size does not meet HQS standards.~~

(ii) If the unit size meets HQS standards, the family will be allowed to relocate after the initial term of the lease.

G. If the original voucher size ~~was~~ bigger than what the family should have received and:

(1) A ~~HAP Contract~~ lease has not been ~~signed~~ executed ~~by the landlord~~ 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.

(2) A ~~HAP Contract~~ lease has been ~~signed by the landlord~~ executed and the total tenant portion (TTP) per the corrected rent calculation is at or below 40% of the family's adjusted gross income (AGI), ~~;~~ MHA will correct the voucher size, ~~changing the rent calculation~~, ~~effective~~ effective the first month following a 30 day notice.

(3) A lease has been executed and ~~if the total tenant portion (TTP) is at or below 40% of the family's adjusted gross income (AGI).~~ If the TTP is above 40% of the family's AGI, the correction of the voucher size will be effective at the next move or next ~~following~~ annual certification.

(i) If the TTP per the corrected rent calculation becomes at or below 40% of the family's AGI prior to the next annual certification, MHA will correct the voucher size effective the first month following a 30 day notice.

## 5.2. DECREASE IN FAMILY COMPOSITION

A. When a family member is removed from the household between annual reexaminations, 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.

## 5.3 ABSENT FROM ~~UNIT~~ /UNIT [24 CFR 982.54(d)(10), 982.551]

A. MHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent.

~~In addition,~~

~~A.~~ 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.

B.

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



D. "Permanently absent" is defined as away from the unit for greater than 60 consecutive days or 90 days in a twelve month period except as otherwise provided in this chapter.

E. Income of persons permanently absent will not be counted if the absence has been reported per MHA's reporting policy in this chapter.

F. 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.

~~—bsence due to Medical Reasons~~

G. 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.

(1) -If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent.

(2) 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.

H. 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.

I. 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.

J. 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.

~~—bsence due to Full-time Student Status~~

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

(1) 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.

(i) If the student is included as a family member, the first \$480 of the student's earned income will be counted.

(ii) The family will also receive a dependent deduction for \$480 and the inclusion in the voucher size determination.

(2) -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 vVoucher size.

~~f 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.~~

#### ~~bsence due to Foster Care~~

L. 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.

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

#### ~~—Familiesbsence of Entire Family~~

M. ~~Families~~ must notify MHA if they are going to be absent from the unit for more than 30 consecutive days.

(1) 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.

#### ~~—Caretaker for Children.~~

N. 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.

(1) 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.

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

- (3) 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.
- (4) The caretaker will be allowed to remain in the unit as a visitor until a determination of custody is made.
- 
- (5) 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.

#### **5.4 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,

A. MHA shall consider the following factors to determine which of the families will continue to be assisted. 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.

⋮

(1) Which of the two new family units have custody of dependent children.?

(2) Which family member was the head of household when the voucher was initially issued (listed on the initial application).

-

(3) The composition of the new family units, and which unit contains elderly or disabled members.

(4) Whether domestic violence was involved in the breakup.

(5) Which family members remain in the unit.

(6) Recommendations of social service professionals.

**~~5.5 ocumentation of these factors will be the responsibility of the requesting parties.~~**

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

## RETENTION OF VOUCHER [24 CFR 982.315]

- A. 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.
- B. A live-in aide will not be considered a remaining member of the family.

### Reporting

~~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.~~

## 5.6. INCREASE IN FAMILY COMPOSITION

- A. 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.
    - (1) 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.
  - B. The additional member must be expected to reside in the unit for at least the next 12 months.
  - C. The family must request prior approval of additional household members in writing.
  - D. 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.
  - E. 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.
    - (1) Permitting an unauthorized household member is a violation of the Family Obligations.
  - F. Additional members may not be added to the household of Elm Street vouchers.
- ~~5.7 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

- A. 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.
- B. 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.
- C. 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.~~

- D. 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.
- E. When the family requests to add an additional adult other than through marriage, the additional adult and any accompanied children will not be included when determining voucher size.
  - (1) The addition will be denied if the unit does not meet HQS space standards.

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

## **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 Error

~~If MHA errs in the voucher size and if the original voucher size was smaller than what the family should have received and:~~

~~A HAP contract has not been signed by the landlord; the voucher size will be adjusted and the family will be advised of its new shopping range using the correct payment standard.~~

~~A HAP Contract has been signed by the landlord when the error is identified, the voucher size will be adjusted retroactively. The family will be advised of its new shopping range 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.~~

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

~~A HAP Contract has not been signed by the landlord 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.~~

~~A HAP Contract has been signed by the landlord; MHA will correct the voucher size, changing the rent calculation, effective the first month following a 30 day notice if the total tenant portion (TTP) is at or below 40% of the family's adjusted gross income (AGI). If the TTP is above 40% of the family's AGI, the correction of the voucher size will be effective at the next move or following annual certification.~~

### **B. DECREASE IN FAMILY COMPOSITION**

~~When a family member is removed from the household between annual reexaminations, 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.~~

#### 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 days but less than 60 days.~~

~~“Permanently absent” is defined as away from the unit for greater than 60 consecutive days or 90 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 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 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.~~

### 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 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.~~

### 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,~~



~~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.~~

#### ~~Retention of 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 will not be considered a remaining member of the family.~~

#### ~~Reporting~~

~~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.~~

### ~~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 days of the maximum allowable time.~~

~~When the family requests to add an additional adult other than through marriage, the additional adult and any accompanied children will not be included when determining voucher size. 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]*

#### **6.1.A. MINIMUM RENT** *[24 CFR 5.616]*

- A. "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.

#### **B6.2. HARSHIP REQUESTS**

- A. ~~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

- B. 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:
  - (1) 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.
  - (2) The family would be evicted as a result of the imposition of the minimum rent requirement.

- ~~(2)~~(3) 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

C. Temporary Hardship. A temporary hardship is a hardship lasting less than 90 days.

- (1) A loss of employment is considered a temporary hardship unless the loss is due to a medical reason.

- (i) 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.

~~(1)~~

- (2) 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.

- ~~(2)~~(3) -At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

~~(3) — 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.~~

- (4) 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).

~~C. Long-Term Hardships~~ [24 CFR 5.616(c)(3)].

D. 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.

~~E. Hardship Renewals~~

E. All hardship renewals must be requested in writing using the minimum rent waiver form.

- (1) 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.
- (2) A temporary hardship cannot be renewed after the initial 90 days based solely on the initial hardship situation.

### **D6.3. AVERAGING INCOME**

A. All income is annualized.

~~(1)~~ The method used depends on the regularity, source and type of income.

(1)

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

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

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

D. 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.

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

~~F.~~ E. **NOTE:** Income from seasonal employment will be annualized to reduce interims is the annual income can be determined. For example, income for school employees is annualized, therefore, an interim should not be done for summer months.

## **Chapter 7**

### **VOUCHER ISSUANCE AND BRIEFINGS**

*[24 CFR 982.301, 982.302]*

#### **7.1A. ISSUANCE OF VOUCHERS** *[24 CFR 982.204(d), 982.54(d)(2)]*

A. When funding is available, MHA will issue vouchers to applicants whose eligibility has been determined.

B. The number of vouchers issued must ensure that MHA maximizes available funding while leasing as close as possible to 100 percent of allocated vouchers.

~~A.C.~~ MHA will monitor both funding and unit utilization monthly, using HUD's forecasting tool to determine whether applications can be processed and the number of vouchers that can be issued/over-issued to maximize leasing.

## **B.7.2 BRIEFING** [24 CFR 982.301]

- A. A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance.
- B. MHA will not issue a voucher to a family unless the head of household ~~representative~~ has attended a briefing and signed the voucher. ~~Briefings must be attended by the head of household in person.~~

## **7.3C. TERM OF VOUCHER** [24 CFR 982.303, 982.54(d)(11)]

- A. 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.
- B. Voucher issuance~~It~~ does not constitute admission to the program which occurs when the lease and contract become effective.
- C. The voucher is valid for a period of 90 days from the date of issuance. The family must submit a Request for Approval of the Tenancy (RTA) within the 90-day period.
- D. If the date of expiration ~~is~~falls on a day in which MHA is closed, the expiration date is extended to the following business day.
- ~~A.E.~~ If an applicant or tenant misses two scheduled voucher briefings the voucher will be voided and the housing assistance will be denied or terminated.

## **Expirations**

- F. If the voucher has expired the family will be denied assistance.
  - (1) If the family is currently assisted, they may remain as a participant in his/her unit if there is an assisted lease/contract in effect (assuming the unit continues to meet program requirements and the owner agrees).
  - ~~(1)~~(2) Tenants and applicants are not afforded a hearing or review for expired vouchers or the denial and termination due to such expiration.

## Extensions

G. MHA will extend the term an additional 30 days from the expiration date upon the request and approval of an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability.

H. VASH vouchers are valid for an initial period of 120 days.

~~D.I.~~ Project-based voucher applicants do not receive a hard copy of a voucher due to the housing assistance being unit specific. Applicant information is communicated to the property management by MHA rather in the form of a voucher and Request for Tenancy Approval paperwork.

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

## Chapter 8

### HOUSING QUALITY STANDARDS INSPECTIONS

[24 CFR 982.401]

#### **8.1A. TYPES OF INSPECTIONS** [24 CFR 982.401(a), 982.405]

A. There are four types of inspections MHA will perform:

(1) Initial/Move-in [24 CFR 982.401(a), 982.305(b)(2)]: Conducted upon receipt of Request for Tenancy Approval (RTA). MHA conducts only initial inspections for homeownership units.

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

(i) 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 days after the family and the owner have submitted a RTA, provided the unit is ready to be inspected when the RTA is received by MHA.

(ii) If the unit and/or owner of a unit are new to MHA's voucher program, additional paperwork is required and an inspection will be schedule within 15 days of all paperwork being submitted to MHA.

(a)RTAs for new units and/or owners/landlords will be denied and a new RTA will be provided to the voucher holder ~~that are not provided to and approved by MHA~~ if requested documentation to add the unit and/or owner/landlords is not provided to MHA within 147 days of MHA's request. ~~for documentation will be denied and a new RTA will be provided to the voucher holder.~~



- (iii) MHA will deny the RTA if the unit will not be ready for inspection within ~~6~~30 days of RTA receipt.
    - (iv) After 2 unsuccessful attempts to inspect the unit at reasonable times with reasonable notice, assistance for that unit will be denied and the family will be issued a new RTA.
    - (v) If the unit fails the initial HQS inspection, a second inspection will be automatically scheduled by MHA.
      - (a) ~~the family and owner will be advised to notify MHA once repairs are completed.~~ The owner will be given up to 10 days to correct the failed items.
      - ~~(a)~~(b) The owner will be allowed only one re-inspection for repair work to be completed. If repairs are not completed within this 10 day period, the RTA will be denied and a new RTA will be issued to the family.
- (2) Biennial Inspections[24 CFR 982.405(a)]: Conducted within 24 months of the last passed annual/bi-annual inspection.
  - (i) If the family or an adult designee is unable to be present, he or she must reschedule the appointment no later than 24 hours prior to the scheduled inspection.
  - (ii) The inspection must be rescheduled for a date no later than 15 days of the initial annual/biennial inspection.
  - (iii) MHA will provide notice to the family and owner of a failed inspection and the re-inspection appointment date.
    - (a) The notice contains a warning of abatement (in the case of owner responsibility).
    - (b) If the family was responsible for a breach of HQS, they will be advised of their responsibility to correct.
  - (iv) Units managed/owned by a landlord that has a history (within the past 12 months) of HQS noncompliance may be subject to annual inspections.
- ~~(2) —~~
- (3) Special/Complaint Inspections [24 CFR 982.405(c)]: At request of owner, family or an agency or third-party.
  - (i) Special inspections must be requested in writing using MHA's inspection request form. ~~If at any time MHA is notified that the unit does not meet HQS, MHA will conduct an inspection.~~

- (ii) 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.
- (iii) If the biennial inspection date is within 90 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.
- ~~(iv)~~ (iv) 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.
- (4) Quality Control Inspections [24 CFR 982.405(b)] inspections ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in application of the HQS.
  - (i) The minimum number of Quality Control (QC) inspections performed will be no less than the required SEMAP sample size.
  - ~~(ii)~~ (ii) 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.

## **8.2 INSPECTION GUIDELINES**

- A. The family must allow MHA to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551(d)]
  - (1) Inspections will be conducted on business days only.
  - (2) Reasonable hours to conduct an inspection are between 8:00 a.m. and 5:00 p.m.
  - (3) The family and owner are notified of the date and time of the inspection appointment prior to the inspection.

## **8.3 REPAIRS**

- ~~A. Landlords are responsible for making repairs to a unit unless the damages are tenant caused. Initial HQS Inspection [24 CFR 982.401(a), 982.305(b)(2)]~~
- ~~B. 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 days after the family and the~~

~~owner have submitted a RTA, provided the unit is ready to be inspected when the RTA is received by MHA. If the unit and/or owner of a unit are new to MHA's voucher program, additional paperwork is required and an inspection will be schedule within 15 days of all paperwork being submitted to MHA. RTAs for new units and/or owners that are not provided to and approved by MHA within 7 days of MHA's request for documentation will be denied and a new RTA will be provided to the voucher holder.~~

~~C. MHA will deny the RTA if the unit will not be ready for inspection within 30 days of RTA receipt.~~

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

~~E. If the unit fails the initial HQS inspection, the family and owner will be advised to notify MHA once repairs are completed. The owner will be given up to 10 days to correct the failed items. The owner will be allowed only one re-inspection for repair work to be completed. If repairs are not completed within this 10 day period, the RTA will be denied and a new RTA will be issued to the family.~~

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

~~G. If the family or an adult designee is unable to be present, they must reschedule the appointment no later than 24 hours prior to the scheduled inspection. The inspection must be rescheduled for a date no later than 30 days of the initial annual/biennial inspection so that the inspection is completed within 30 days.~~

~~H. 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.~~

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

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

~~K. 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 HQS, MHA will conduct an inspection.~~

~~L. 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.~~

~~M. If the biennial inspection date is within 90 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.~~

~~N. 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.~~

~~O. Quality Control Inspections [24 CFR 982.405(b)]~~

~~P. The minimum number of Quality Control (QC) inspections performed will be no less than the required SEMAP sample size. The purpose of QC 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.~~

~~Q. 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.~~

R.A. Time Standards for Repairs

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

~~(1)~~(2) For non-emergency items, repairs must be made within 30 days.

~~(2)~~(3) Extensions can be requested in writing and may be approved at MHA's discretion. Requests for extensions must be received by MHA before close of business of the initial deadline.

(4) HQS deficiencies for annual and special inspections may be verified by owner's and tenant's certification.

(a) If ~~one or both~~ certifications from both the landlord and tenant are not available, the owner or tenant may substitute with receipts from the vendor or photos of the repair.

(5) HAP payments will be suspended on the first of the month following an abatement.

(a) If the unit is in abatement for more than 30 days excluding any extensions, MHA will terminate the HAP Contract no later than the last day of the month following a 60 day abatement period.

(b) Inspections will not be scheduled for units that are abated for more than 60 days.

~~(b)~~(c) The termination of a HAP Contract will not be reversed if the unit is in abatement for 30 days, however payments will continue up to the termination date if the unit passes inspection.

~~(3)~~(6) If a reinspection of landlord-responsible fail item(s) is inconclusive due to a “no show”, the unit will be denied or abated.

~~(4)~~(7) MHA reserves the right to issue a 1 year ban to landlords that have a history of not meeting the time standards of repairs (more than one abatement in 6 months).

(5)(8)

## Chapter 9

### OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

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

#### 9.1A. REASONABLE RENT [24 CFR 982.507]

##### ~~A. Rent Reasonableness Methodology~~

~~B. 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.~~

~~C.~~A. 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.

B. MHA maintains a survey form which includes data on unassisted units for use by staff in making rent reasonableness determinations.

C. The data significant features include the number of bedrooms, building type, square footage, building age, median income, and several amenities.

~~S.~~D. The outliers are eliminated and the values are assigned to each feature to determine appropriate adjustments.

#### B9.2. RENT INCREASE REQUESTS

A. During the initial term of the lease, the owner may not raise the rent.

B. Following the initial lease term, the owner is required to notify MHA using a MHA rental increase form at least 60 days before the requested effective date of the increase.

~~A.~~C. MHA will determine whether the new rent to owner is reasonable and will advise the owner and tenant of either acceptance or denial of the new rent amount and the effective date.

### **C9.3. PAYMENT STANDARDS** [24 CFR 982.503]

- A.** MHA will establish a single voucher payment standard amount for each FMR area in MHA jurisdiction.
- B.** For each FMR area, MHA will establish payment standard amounts for each “unit size”.
- A.C.** 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.
- B.D.** 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.
- C.E.** 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.
- F.** 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.
  - (1) If these are not the primary factors for families paying higher rents, MHA will continue increasing the payment standard.
- G.** MHA may consider the average time period for families to lease up under the voucher program.
  - (2)(1)** If more than 25% of ~~y~~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.
- D.H.** When MHA lowers the Payment Standard for any FMR area, the lower Payment Standard will be applied as follows:
  - (1) 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,
  - (2) 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)

## Chapter 10

### RECERTIFICATIONS

[24 CFR 982.516]

#### **A10.1. ANNIVERSARY DATE**

- A.** MHA is required to complete an annual certification for each family effective the first day of the anniversary month.
- B.** The month that a family moves into their initial unit is known as the family's anniversary month.
- C.** Families admitted to the program prior to 2018 have an anniversary date determined by the month that they moved into their last unit.
- D.** 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 in 2018.
  - (1)** The anniversary date will be changed to the initial unit move in month during the family's 2018 annual or ~~during relocation~~ during relocation to another unit, whichever occurs first.
  - (+)(2)** When a family relocates to another unit, an annual will be completed and the anniversary month will be changed.

#### **10.2-B. FAILURE TO RESPOND**

- A.** 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.
- A.B.** 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.
- C.** 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.
  - (1)** A 30 day notice is not required for tenant-caused delays.
  - (+)(2)** 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.



D. 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.

~~(2)~~(1) MHA will not retroactively pay any additional HAP for months previous to the effective date.

### **10.3C. REPORTING CHANGES IN INCOME**

A. MHA requires that families report income changes to MHA in writing within 30 days of the change.

B. 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.

C. 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.

(1) If the decrease in income is reported to MHA after the 10<sup>th</sup> of the month, the difference in housing assistance paid by MHA may not be processed until the second month following the change.

(i) The tenant should continue to pay the same portion of rent until MHA provides the tenant and landlord with a notice of a change.

### **C. Failure to Report Income/Late Reporting of Income**

D. If the family fails to report an increase in income within 30 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.

(1) If MHA determines that the failure to report income is deliberate or if the family has a history of not reporting income timely, the family's assistance will be terminated.

~~(1)~~(2) The family is still required to return the overpayment to MHA.

E. If the failure to report income is determined to not be deliberate 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.

F. 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.

(1) 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)]

#### **A11.1 RESTRICTIONS ON MOVES** [24 CFR 982.314, 982.552(a)]

A. Families will not be permitted to move:

- (1) During the initial year of assisted occupancy.
- (2) Insufficient funding for continued assistance.
- (3) The family has violated a family obligation within the past 12 months.
- (4) The family owes MHA money.
- (5) A voucher issued to the family expired within the past 6 months.

#### **B11.2 PROCEDURE FOR MOVES** [24 CFR 982.314]

##### Notice Requirements

A. The family must give the landlord and MHA a notice to vacate no less than 30 days from the move out date on the notice.

(1) If the lease requires a notice longer than 30 days, the family must provide the notice in compliance with the lease.

~~(1)~~(2) The copy of the notice to vacate provided to MHA must be on MHA's notice to vacate form.

~~B.~~ 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.~~

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

#### **11.3 CONTINUANCE OF OCCUPANCY**

##### **A. Retraction of Notice to Vacate**

A family may retract their notice to vacate and 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 days after the move out date on the notice to vacate.

(1) -HAP contracts will not be reinstated for continuance requests received after the 10 days.

(i) Retroactive HAP payments resulting from approved continuance of occupancy requests received after the 10<sup>th</sup> day of the month will be made retroactively to the landlord the first of the month after the continuance of occupancy request is processed.

~~(1)~~(2) If the landlord does not agree to the continuance, the family must provide MHA with an acceptable RTA before the voucher expires.

~~(i) Any continuance of occupancy form received after the 15<sup>th</sup> day of the month may not be processed in time for the next month check run. In these cases, in which 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 15<sup>th</sup> day of the month will be made retroactively to the landlord the first of the month after the continuance of occupancy request is processed.~~

(i)

#### 11.4 RETRACTION OF REQUEST FOR TENANCY APPROVAL (RTA)

~~-. Retraction of Request for Tenancy Approval (RTA)~~

~~B.A.~~ MHA will not allow a tenant to retract a RTA 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.

#### ~~C~~11.5. PORTABILITY [24 CFR 982.353]

A. Families will not be permitted to move outside MHA's jurisdiction before or during their initial year of occupancy inside MHA's jurisdiction.

B. NOTE: Elm Street vouchers are not allowed to relocate to a unit other than one located on the Elm Street property, including portability.

C. Project-based vouchers are not allowed to relocate to a unit other than one located on the project-based property, including portability.

B.D. ~~Other special program~~ VASH vouchers are allowed to port to areas in which supportive services can be continued after the initial lease term.

## 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]

#### **A12.1. GROUND FOR DENIAL/TERMINATION** [24 CFR 982.54, 982.552, 982.553]

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

- (1) The family does not meet the income requirements set by HUD.
- (2) Failure to disclose and verify Social Security Numbers (as provided by 24 CFR 5.216).
- (3) Failure to correct an HQS breach caused by the family ~~as described in 982.404(b).~~
- (4) Failure to allow MHA to inspect the unit at reasonable times and after reasonable notice.  
~~(4)(5) This includes missing~~ Missing two or more inspections without rescheduling ~~prior to the appointment.~~ per MHA policy.
- ~~(5)(6)~~ Moving from the assisted unit prior to notifying the owner and MHA.
- ~~(6)(7)~~ Not using the assisted unit for residence by the family. The unit must be the family's only residence.  
~~(7) The Not complying with MHA policy regarding adding and/or removing household members. 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.~~
- (8)  
~~The family must promptly notify MHA if any or all family members no longer reside in the unit.~~
- (9) 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.
  - (i) 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.
- ~~(9)(10)~~ Owning or having any interest in the unit.

(11) Family is under contract and 180 days have elapsed since MHA's last housing assistance payment was made.

- (i) If a family fails to report income that results in zero HAP, the 180 days will be counted retroactively.

~~(10)~~(12) Missing two consecutive appointments without rescheduling prior to the appointment.

(13) Reoccurring violations of the program rules.

- (i) Reoccurring is defined as more than one occurrence in two years.

~~(14)~~(14) Conviction of manufacturing or producing methamphetamine on the premises of federally assisted housing.

(15) "Engaged in or engaging" in illegal use of a drug.

- (i) "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.

(ii) 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.

(iii) 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.

- (a) Such screening will apply to any member of the household who is 18 years of age or older.

(iv) MHA will not use arrests without a conviction as evidence of criminal behavior.

(v) 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.~~

(16) 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.

- (i) MHA will consider the use of alcohol to be a pattern if there is more than one incident during the previous 6 months.

(17) “Engaged in or engaging in” violent criminal activity.

(i) “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.

(ii) 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.

(iii) 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.

~~(a)~~ Such screening will apply to any member of the household who is 18 years of age or older.

(a)

(iv) MHA will not use arrests without a conviction as evidence of criminal behavior.

(v) MHA will take into account the severity of the charge and rehabilitation efforts when making the decision of denial and termination of housing assistance.

~~(13) Such screening will apply to any member of the household who is 18 years of age or older.~~

~~(14) Subject to a lifetime registration requirement under a State sex offender registration program.~~

(18)

(19) Eviction for any reason

- (i) The family must promptly give MHA a copy of any owner eviction notice.



~~(20)~~ ~~or the~~ (20) 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.

~~(15) The family must promptly give MHA a copy of any owner eviction notice.~~

~~(16)~~ (21) 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:

(i) Owner terminates tenancy through court action for serious or repeated violation of the lease.

(ii) Nonpayment of rent is considered a serious violation of the lease.

(a) Evidence of payments may be required for verification of payments.

~~(ii)~~ (iii) Police reports, neighborhood complaints or other third party information that ~~information that~~ has been verified by MHA.

~~(17)~~ (22) Excessive damage beyond normal wear and tear in the previously assisted unit.

(23) ~~Failing~~ Failure to sign and submit consent forms for obtaining information in accordance with HUD guidelines.

~~(18)~~ (24) Failure to provide requested documentation to MHA.

~~(19)~~ (25) When required under the regulations to establish citizenship or eligible immigration status.

~~(20)~~ (26) Violation of any family obligation under the program as listed in 24 CFR 982.551.

(27) Committing fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

(i) Not reporting income within 30 days of the increase may be considered fraud.

(28) The family currently owes rent to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

(i) The family will be given 30 days to pay the balance in full before the denial or termination.

(ii) ~~If the family owes a balance to MHA, at its discretion, MHA may offer the family the opportunity to enter into a repayment agreement.~~

~~(24)~~(29) Failure to enter into or make payments in accordance with a repayment agreement with MHA.

~~(22)~~(30) The family has engaged in or threatened abusive or violent behavior toward MHA personnel.

(i) "Abusive or violent behavior towards MHA personnel" includes verbal as well as physical abuse or violence.

~~(i)~~(ii) 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.

~~(ii)~~(iii) "Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

(iv) Actual physical abuse or violence will always be cause for termination.

(31) Lack of 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~~

(i) ~~The~~ MHA shall terminate the voucher of a Family based on the Family's date of admittance to the program.

(a) 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.

(b) The Family that was first admitted to the program, according to ~~their~~his or her initial-L lease date, shall be the first to have the voucher terminated due to the lack of adequate funding from HUD.

(ii) 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.

(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

(iii) -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~~

## **12.2 ALLOWABLE EXCEPTIONS**

A. 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.

~~A.~~B. If the violating member is a minor, MHA may consider individual circumstances with the advice of Juvenile Court officials.

## **12.3 REQUIRED EVIDENCE**

A. 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.

B. The intent is not to prove criminal liability, but to establish that the act(s) occurred.

~~A.~~C. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

~~B.~~D. MHA will pursue fact-finding efforts as needed to obtain credible evidence.

#### **12.4 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**

**A.** ~~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.

**B.** The MHA will do so by the participants admittance dated (original lease date) beginning with the most recent admittance date to oldest admittance date.

**C.** Families that were in the VASH program will be reissued vouchers based on admittance date first, pending the approval of the Veteran Affairs.

**A.D.** 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.

## **C12.5 NOTICE OF DENIAL/TERMINATION**

- A. If MHA decides to deny/terminate assistance to the family, MHA must give the family written notice which states:
- (1) The reason(s) for the proposed denial/termination;
  - (2) The effective date of the proposed termination;
  - (3) The family's right, if they disagree, to request an ~~i~~informal review/hearing to be held before termination of assistance;
  - (4) The date by which a request for an informal review/hearing must be received by MHA.
- B. 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.

## **D12.6 OWNER DISAPPROVAL AND RESTRICTION**

[24 CFR 982.54, 982.306, 982.453]

- A. ~~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.
- B. MHA will disapprove the owner for the following reasons:
- (1) HUD has informed MHA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
  - (2) 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.
  - (3) 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.
  - (4) 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.
    - (i) MHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

- (ii) 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.

C. MHA may at their discretion, depending on the seriousness and conditions, prohibit an owner from participating or suspend participation for 6-12 months for the following reasons:

- (1) The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).
- (2) The owner has committed fraud, bribery or any other corrupt act in connection with any Federal housing program.
- (3) The owner has engaged in drug-related criminal activity or any violent criminal activity within the past 3 years.
- (4) 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.
- (5) The owner has a history or practice of renting units that fail to meet State or local housing codes.
- (6) The owner has committed criminal activity ~~or any violent criminal activity~~ which warrant a record of a felony or misdemeanor.
- (7) 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:
  - (i) Threatens the right to peaceful enjoyment of the premises by other residents;
  - (ii) 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;
  - (iii) 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
  - (iv) Is drug-related criminal activity or violent criminal activity.
- (8) The owner has not paid State or local real estate taxes, fines or assessments.

- (9) 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.

~~(9) MHA reserves the right to issue a 1 year ban to landlords that have a history of not meeting the time standards of repairs (more than one abatement in 6 months).~~

D. 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.

- (1) 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.

~~(2) 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 RTAs against upon receipt.~~

~~(3) 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.~~

~~(4) 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.~~

~~(5)~~ (2) 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]

#### **A13.1. PAYMENT AGREEMENT FOR FAMILIES** [24 CFR 982.552 (c)(v-vii)]

- A. A Payment Agreement as used in this Plan is a document entered into between MHA and a person who owes a debt to MHA.
- B. 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.
- C. Families are required to pay all debts owed whether or not they continue to receive assistance.
  - (1) 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.
- D. Per HUD's requirements to fully utilize EIV, MHA will report any debts owed by the family in the EIV Debts Owed module.
  - (1) Former tenants may dispute debt and termination information for a period of up to three years from the end of participation date. ~~The repayment agreement must be signed by the tenant and MHA.~~
- E. 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.
- F. The maximum length of time MHA will enter into a payment agreement with a family is 24 months.
- G. Payment agreements will be executed between MHA and the head of household.
- H. Payments may only be made by money order or cashier's check.
- I. Monthly payments may be decreased in cases of family hardship and if requested with reasonable notice from the family verification of the hardship.
  - (1) Regardless of the decrease, the total balance must be paid within 24 months from the date of the first due date.
- J. 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:



(1) Family size exceeds the HQS maximum occupancy standards

(2) The HAP contract is terminated due to owner non-compliance or opt-out

~~(1)~~(3) A natural disaster

~~B.~~

**C. Disapproval of Payment Agreement**

~~D.~~K. Circumstances in which MHA may not enter into a payment agreement are:

(1) If the family already has a Payment Agreement in place.

~~(2) The maximum length of time MHA will enter into a payment agreement with a family is 24 months.~~

(2) MHA determines that the debt amount is larger than can be paid back by the family within 24 months.

(3) Monies owed are due to fraud or misrepresentation. [24 CFR 982.163]

(i) 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.

(a)

~~E.~~L. MHA will calculate payment agreement affordability as follows:

(1) 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.

(i) 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.

(2) Subtract the total of the monthly payment amount \*24 months from the total debt amount.

(3) The remainder is the amount the family would have to pay as a lump sum prior to entering the payment agreement.

- (i) If the family is unable to pay the lump sum, the debt is considered more than can be paid back in 24 months.

~~(3)~~(4) 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.  $\$100 \times 24 \text{ months} = \$2,400$ .  $\$5,000 - \$2,400 = \$2,600$ . \$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.

13.2 ~~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. 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.
- B. 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:
- (1) Require the family to pay the balance in full.
  - (2) Pursue civil collection of the balance due.
  - (3) Terminate the housing assistance.

### **~~B. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION [24 CFR 982.163]~~**

- ~~A. HUD's definition of program fraud and abuse is a single act or pattern of actions that:~~
- ~~(0) 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.~~

~~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. 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:~~

~~Family size exceeds the HQS maximum occupancy standards~~

~~The HAP contract is terminated due to owner non-compliance or opt-out~~

~~A natural disaster~~

### **D13.3 OWNER DEBTS TO MHA** [24 CFR 982.453(b)]

- A. 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.
- B. 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.B14.1. INFORMAL REVIEW/APPEALS PROCEDURES FOR APPLICANTS** [24 CFR 982.54(d)(12), 982.554, 982.555]

A. Reviews are provided for applicants who are denied assistance before the effective date of the HAP contract.

(1) The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

B. ~~Hearing~~Appeals 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.

#### **B. Procedure for Review**

C. A request for an informal review/appeal must be received in writing per MHA's Request for Review/Appeal form no later than 15 days from the date of MHA's notification of denial of assistance.

D. The review/appeal may be conducted by a staff person who is at the Manager level or above or an individual from outside MHA.

E. Assistance to a participant may not be terminated while MHA hearing is pending, but assistance to an applicant may be delayed pending MHA hearing.

F. The notification of review/appeal will contain:

(1) The date and time of the hearing

(2) The location where the review/appeal will be held

(3) The family's right to bring evidence, witnesses, legal or other representation at the family's expense

(4) 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 review/hearing.

~~G.~~

G. The applicant/tenant will be given the option of presenting oral or written objections to the decision. Both MHA and the family may present evidence and witnesses.

~~D.H.~~ The ~~family~~ applicant/tenant may use an attorney or other representative to assist them at their own expense.

I. After a review/appeal 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.

(1) The request to reschedule must be received by MHA ~~before~~ no later than 48 hours prior to ~~of~~ the scheduled hearing date.

J. If a family does not appear at a scheduled review/appeal and has not rescheduled the ~~review~~ in review in advance, the family must contact MHA within 48 hours, excluding weekends and holidays.

(2) MHA will reschedule the review/appeal only if the family provides documentation within 7 days, substantiating circumstances beyond the family's control.

~~E.K.~~ 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.

#### ~~F. C. INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]~~

~~G. 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.~~

#### ~~H. Procedure for Hearing~~

~~I. 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.~~

~~J. The review may be conducted by a staff person who is at the Manager level or above or an individual from outside MHA.~~

~~K. The notification of hearing will contain:~~

~~L. The date and time of the hearing~~

~~M. The location where the hearing will be held~~

- ~~N. The family's right to bring evidence, witnesses, legal or other representation at the family's expense~~
- ~~O. 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~~
- ~~P. 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.~~
- ~~L. 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.~~
- Q.M. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- N. No documents may be presented which have not been provided to the other party before the hearing if requested by the other party.
- (1) "Documents" includes records and regulations.
- ~~R.O.~~ 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.
- P. 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.
- (1) The Hearing Officer may request that parties not immediately needed in the hearing, wait outside of the hearing to be called in individually.
- ~~S. 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.~~
- Q. 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.

~~T.R.~~ Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

~~U.S.~~ In addition to other rights contained in this Chapter, MHA has a right to:

- (1) Present evidence and any information pertinent to the issue of the hearing;
- (2) Be notified if the family intends to be represented by legal counsel, advocate, or another party;
- (3) Examine and copy any documents to be used by the family prior to the hearing;
- (4) Have its attorney present; and
- (5) Have staff persons and other witnesses familiar with the case present.

~~T.~~ A notice of the ~~hearing~~-review/appeal findings will be provided in writing to the participant before the date of assistance termination.

- (i) It shall include the decision of the review officer and an explanation of the reasons for the decision.

~~V.U.~~ MHA is not bound by review/appeal hearing decisions:

- (1) Which concern matters in which MHA is not required to provide an opportunity for a hearing;
- (2) Which conflict with or contradict to HUD regulations or requirements;
- (3) Which conflict with or contradict Federal, State or local laws; or
- (4) Which exceed the authority of the person conducting the hearing.

(i) Mitigating circumstances is for the consideration of MHA, not the appeal officer.

#### **~~D~~14.2. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS [24 CFR Part 5, Subpart E]**

~~A.~~ 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.

A.

~~B. 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

~~C.~~B. 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~~30 days or to request an informal hearing with MHA either in lieu of or subsequent to the INS appeal.

~~D.~~C. 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.

~~E.~~D. The request for a MHA hearing must be made within ~~fourteen~~14 days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within ~~fourteen~~14 days of receipt of that notice.

E. After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants.

F. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members MHA will:

(1) Deny the applicant family

(2) Defer termination if the family is a participant and qualifies for deferral

(3) Terminate the participant if the family does not qualify for deferral

G. 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.

H. All other complaints related to eligible citizen/immigrant status:

I. 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.

J. 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.

K. 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.

- L. 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. 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 medical 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.

**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).~~

## **CB. 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).)

# TAB – Element B.2

**Little Rock Housing Authority  
FY 2019  
Plan Elements**

**Element B**

**B.2**

**Hope VI or Choice Neighborhoods.**

The U.S. Department of Housing and Urban Development (HUD) created the Choice Neighborhoods Initiative (CNI) as a comprehensive approach to neighborhood transformation supported by locally driven strategies to address public or HUD-assisted housing by addressing three core elements: housing, neighborhood, and people. The Choice Neighborhoods Initiative is comprised of two grants: Choice Neighborhoods Planning Grant and Choice Neighborhoods Implementation Grant.

The Metropolitan Housing Alliance (MHA) received a Choice Neighborhoods Planning Grant of \$300,000 in 2012. MHA and its partners completed the Planning Grant process and provided the final deliverable, a Transformation Plan, to HUD in January 2014. The Transformation Plan contains strategies of redevelopment in each of the core areas that were informed by the Choice Neighborhood Planning Grant. MHA proposes to move forward in 2018 with the Choice Neighborhood Implementation (CNI) Grant. The City of Little Rock has agreed to be MHA's co-applicant and the Neighborhood Implementation Entity. MHA will serve as the People Implementation Entity and the joint venture of Gorman and Company and ITEX will represent the Housing Implementation Entity. Other critical partnerships are being finalized.

The Choice Neighborhoods Implementation Grant is a separate grant that funds or brings to life the Transformation Plan. It requires an application submission identifying the Targeted Project and proof of experience at comprehensive development from the Lead Applicant and the Principal Team Members (Housing, Neighborhood, and People Implementation Entities). The Notice of Funds Available (NOFA) for 2018 has been issued and the application is due September 17, 2018 with an anticipated award date of February 2019.

**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. (Amended)**

\*\*\*Previous Designation\*\*\*

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

Fred Parris Towers and Cumberland Towers will be project-based Section 8 sites that do not allow for site specific designation post RAD conversion. However, the sites will have an Elderly Preference which will allow for all Elderly persons to be ranked higher on the waiting list, which is outlined in the Administrative Plan for the Section 8 Voucher Program.

**Conversion of Public Housing to Tenant-Based Assistance.**

N/A

**Conversion of Public Housing to Project-Based Assistance under RAD. (Amended)**

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 74 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
AR004000020	Homes at Granite Mountain	40
AR004000021 **	Madison Heights III	20
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-3 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. (No Revisions)**

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. (Amended)**

Under RAD, MHA will be converting public housing units to Project Based Vouchers ("PBV") under the guidelines of PIH Notice 2012-32, REV-3 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 and executed the closing documents the week of April 23<sup>rd</sup>, 2018 for Madison Heights III. Closing documents were also executed for Parris, Cumberland and Powell Towers the week of October 4<sup>th</sup>, 2018.

Project Number	Property Name	Number of PBVs
AR004000023	Cumberland Manor	17
AR004000024	Metropolitan Village	17
AR004000021	Madison Heights III	20
AR004000009	Fred Parris Towers	250
AR004000010	Cumberland Towers	178
AR004000011	Jesse Powell Towers	169

**Units with Approved Vacancies for Modernization. (No Revisions)**

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