



Housing Choice Voucher Program Administrative Plan

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CHAPTER 1: OVERVIEW OF THE PROGRAM AND PLAN

1.1 LRHA MISSION

Lynchburg Redevelopment and Housing Authority's (LRHA's) mission is dedicated to the improvement of the quality of life for all Lynchburg citizens by being a leader in community redevelopment, revitalizing neighborhoods and facilitating economic growth and development, by seeking and entering into partnerships with organizations and clients to achieve safe, decent and affordable housing, with an emphasis on homeownership, maintained in a manner that fosters pride and dignity.

1.2 OVERVIEW AND PURPOSE OF THE PLAN

LRHA administers the HCV program in conformance with all applicable federal, State and local regulatory requirements.

The Administrative Plan is required by HUD. The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements. This Administrative Plan is available for public review.

1.3 UPDATING AND REVISING THE PLAN

New HUD regulations or other required guidance **will apply** when issued; however, LRHA will update the Administrative Plan as needed to reflect these changes in regulations, LRHA operations, or when needed to ensure staff consistency in operation. The original plan and any changes are approved by LRHA's Board of Commissioners.

LRHA, from time to time, may make non-substantive changes and edits to the Administrative Plan to clarify policy language.

1.4 Regulatory and Statutory Waivers

During periods of declared states of emergency, as certified by the applicable government designee with authority in LRHA's jurisdiction, LRHA may adopt HUD published regulatory and/or statutory waivers to respond to the emergency. Where such waivers are adopted, LRHA will retain documentation to identify the Statute/Regulation which is being waived, as well as the alternative requirement and period start and end dates for such waivers (see [EMERGENCY WAIVERS](#)).

Where a waiver allows LRHA to adopt and implement changes to the Admin Plan without formal board approval, such informally adopted policies will be formally adopted and implemented consistent with required timelines and fair housing and equal opportunity statutes and regulations. Finally, LRHA will follow applicable HUD tenant notification guidance regarding changes to policies, rules and/or special charges to tenants.

1.5 APPLICABLE REGULATIONS

This Administrative Plan is guided by LRHA's Annual Plan. Applicable regulations include but are not limited to:

- 24 CFR Part 5: General Program Requirements;
- 24 CFR Part 8: Nondiscrimination;
- 24 CFR Part 35: Lead-Based Paint;
- 24 CFR Part 100: The Fair Housing Act;

- 24 CFR Part 982: Section 8 Tenant Based Assistance: HCV Program;
- 24 CFR Part 983: Project-Based Vouchers; and
- 24 CFR Part 985: The Section 8 Management Assessment Program (SEMAP)

1.6 LRHA PROGRAMS

The following programs are included under this Administrative Plan:

- Housing Choice Voucher (HCV) Program Tenant Based Assistance
- HCV Project Based Assistance
- Mainstream (post 2018)

CHAPTER 2: GENERAL POLICIES

2.1 OVERVIEW

This chapter discusses administrative policies and practices that are relevant to the activities covered in this plan.

2.2 ADMINISTRATIVE FEE RESERVE

LRHA will maintain administrative fee reserves, or unrestricted net position (UNP) for the program to pay program administrative expenses in excess of administrative fees paid by HUD. Beginning with FFY 2004 administrative fee funding, LRHA will use administrative fee reserves only for activities related to the provision of HCV assistance, including related development activities.

LRHA may use administrative fees that remain in the UNP account from funding provided prior to 2004 for "other housing purposes permitted by state and local law," in accordance with 24 CFR 982.155(b)(1).

Expenditures from the UNP account will be made in accordance with all applicable federal requirements. Expenditures will not exceed \$10,000 per occurrence without the prior approval of the LRHA's Board of Commissioners.

2.3 INSUFFICIENT FUNDING

LRHA may deny families permission to move and to terminate Housing Assistance Payments (HAP) contracts if funding under the consolidated ACC is insufficient to support continued assistance [24 CFR 982.354(e)(1) and 982.454]. If LRHA denies a family a portability move based on insufficient funding, LRHA will notify the local HUD office within 10 business days [24 CFR 982.354].

Insufficient funding may also impact LRHA's ability to issue vouchers to families on the waiting list. LRHA will determine whether or not there is sufficient funding to issue vouchers, approve moves, and to continue subsidizing all families currently under a HAP contract.

2.4 RECORD KEEPING

2.4.1 Overview

LRHA will maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, LRHA will ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

2.4.2 Record Retention

During the term of each assisted lease, and for at least three years thereafter, LRHA will keep:

- A copy of the executed lease;
- The HAP contract; and
- The application from the family.

In addition, LRHA will keep the following records for at least three years:

- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- An application from each ineligible family and notice that the applicant is not eligible;
- HUD-required reports;
- Unit inspection reports;
- Lead-based paint records as required by 24 CFR 35, Subpart B;
- Accounts and other records supporting LRHA budget and financial statements for the program;
- Records to document the basis for LRHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract);
- Other records specified by HUD; and
- Records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule, per Notice PIH 2014-20.

If an informal hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents.

2.4.3 Records Management

LRHA will maintain applicant and participant files and information in accordance with the regulatory requirements.

All applicant and participant information will be kept in a secure location and access will be limited to authorized LRHA staff.

LRHA staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

Privacy Act Requirements

The collection, maintenance, use, and dissemination of Social Security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974, and all other provisions of federal, state, and local law.

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or LRHA may release the information collected.

Upfront Income Verification (UIV) Records

HA's that access UIV data through HUD's UIV System are required to adopt and follow specific security procedures to ensure that all UIV data is protected in accordance with Federal laws, regardless of the media

on which the data is recorded [e.g. electronic, paper]. These requirements are contained in *Upfront Income Verification [UIV] System Security Procedures*.

Criminal Records

LRHA may only disclose the criminal conviction records which LRHA receives from a law enforcement agency to officers or employees of LRHA, or to authorized representatives of LRHA who have a job-related need to have access to the information.

LRHA will ensure that any criminal record received by LRHA from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to LRHA action without institution of a challenge or final disposition of any such litigation.

LRHA will ensure that any sex offender registration information received by LRHA from a state or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to LRHA action without institution of a challenge or final disposition of any such litigation. However, a record of the screening, including the type of screening and the date performed will be retained. This requirement does not apply to information that is public information, or is obtained by LRHA other than under 24 CFR 5.905.

Medical Disability Records

LRHA will not inquire about the nature or extent of a person's disability. LRHA will not inquire about a person's diagnosis or details of treatment for a disability or medical condition.

Any information received that contains an individual's specific diagnosis, information regarding the individual's treatment, and/or information regarding the nature or severity of a person's disability will be destroyed or returned to the household member.

LRHA staff will not discuss household information contained in files unless there is a business reason to do so. Inappropriate discussion of household information or improper disclosure of household information by staff will result in disciplinary action.

Documentation of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

For requirements and LRHA policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, or stalking, see [VAWA Record Retention](#) policies.

2.4.4 Electronic Signatures and Scanned Documents

Electronic records and signatures carry the same weight and legal effect as traditional paper documents and handwritten signatures. LRHA will not deny the legal effect or enforceability of a document solely because it is in electronic form. (Electronic Signatures in Global and National Commerce Act ([ESIGN](#), 2000) and the Uniform Electronic Transactions Act ([UETA](#), 1999).

LRHA will accept scanned documents to verify program information. If at any time, LRHA has reason to believe that documents have been altered or contain fraudulent information, LRHA may request additional documentation to verify program information.

2.4.5 Reporting and Record Keeping for Children with Elevated Lead Levels

LRHA has certain responsibilities relative to children with elevated blood lead levels that are receiving HCV assistance. The notification, verification, and hazard reduction requirements are discussed in [SPECIAL](#)

REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL BLOOD LEAD LEVEL. This part deals with the reporting requirements, and data collection and record keeping responsibilities that LRHA is subject to.

The owner must report the name and address of a child identified as having an elevated blood lead level to the public health department within five business days of being so notified by any other medical health care professional. The owner must also notify the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes (OLHCHH) of the child's address within five business days.

Upon notification by the owner, LRHA will provide the public health department written notice of the name and address of any child identified as having an elevated blood lead level within five business days.

Upon notification by the owner, LRHA will notify the HUD field office and OLHCHH of the child's address within five business days.

At least quarterly, LRHA will attempt to obtain from the public health department(s) with a similar area of jurisdiction, the names and/or addresses of children less than 6 years old with an elevated blood lead level. If LRHA obtains names and addresses of elevated blood lead level children from the public health department(s), LRHA must match this information with the names and addresses of families receiving HCV assistance, unless the public health department performs such a procedure. If a match occurs, LRHA must carry out the notification, verification, and hazard reduction requirements discussed in **SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL BLOOD LEAD LEVEL**, and the reporting requirement discussed above.

The public health department(s) has stated they **do not** wish to receive a quarterly report of an updated list of the addresses of units receiving assistance under the HCV program, on a quarterly basis. Therefore, the LRHA is not providing such a report.

CHAPTER 3: FAIR HOUSING & EQUAL OPPORTUNITY

3.1 OVERVIEW

This chapter explains the laws and HUD regulations requiring LRHA to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policies and processes. The responsibility to further nondiscrimination pertains to all areas of LRHA's HCV operations.

3.2 NON-DISCRIMINATION

LRHA treats all applicants and clients equally, providing the same quality of service, regardless of household characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and/or disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. LRHA will comply with all applicable federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964;
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988);
- Executive Orders 11063 and 13988;
- Section 504 of the Rehabilitation Act of 1973;
- The Age Discrimination Act (ADA) of 1975;
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern);
- Violence Against Women Reauthorization Act of 2013 (VAWA);
- The Equal Access to Housing in HUD Programs regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012 and further clarified in Notice PIH 2014-20;
- The Virginia Human Rights Act (VA Code S2.2-3900, et seq.);
- The Virginians with Disabilities Act, and specifically VA Code S51.5-45 (Right of persons with disabilities to housing accommodations); and
- The Virginia Fair Housing Law (VA Code S36-96.1, et seq.).

When more than one civil rights law applies to a situation, the laws will be read and applied together; and any applicable state laws or local ordinances and any legislation protecting individual rights of participating households, applicants, or staff that may subsequently be enacted will also apply.

LRHA will not discriminate on the basis of race, color, sex, religion, familial status, age, disability, national origin, gender identity, marital status or sexual orientation (called “protected classes”).

LRHA will not use any of the household characteristics or background described above to:

- Deny to any household the opportunity to apply for housing, nor deny any qualified applicant the opportunity to participate in the housing choice voucher program;
- Provide housing that is different from that provided to others;
- Subject anyone to segregation or disparate treatment;
- Subject anyone to sexual harassment;
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program;
- Treat a person differently in determining eligibility or other requirements for admission;
- Steer an applicant or client toward or away from a particular area based any of these factors;
- Deny anyone access to the same level of services;
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program;
- Discriminate in the provision of residential real estate transactions;
- Discriminate against someone because they are related to or associated with a member of a protected class; or
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class.

3.3 PROVIDING INFORMATION TO FAMILIES AND OWNERS

LRHA takes steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, LRHA provides information to HCV applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods.

The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

3.4 DISCRIMINATION COMPLAINTS

Applicants or households that believe they have been subject to unlawful discrimination may notify LRHA. LRHA will attempt to remedy discrimination complaints made against LRHA and will conduct an investigation into all allegations of discrimination.

LRHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

The LRHA will keep a record of all complaints, investigations, notices, and corrective actions.

3.5 POLICIES RELATED TO PERSONS WITH DISABILITIES

LRHA strives to ensure that persons with disabilities have full access to LRHA's programs and services. This responsibility begins with the first inquiry of an interested household and continues through every programmatic area of the HCV program.

LRHA will ask all applicants and clients if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by LRHA.

If a person requests an accommodation, LRHA may need to verify that the person is a qualified individual with a disability, and must determine whether an accommodation is necessary to provide the individual with an equal opportunity to participate in the HCV program. A person who does not meet the definition of a person with a disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

3.5.1 Definition of a Person with a Disability

Where reasonable accommodations are concerned, see [DEFINITION OF A PERSON WITH A DISABILITY](#).

3.5.2 Verification of Disability

When verifying a disability, LRHA will follow its policies on verification. All information related to a person's disability will be treated in accordance with the privacy policies in this plan. In addition to the general requirements that govern all verification efforts, additional verification requirements for verifying disability will be followed. See [VERIFICATION OF DISABILITY](#).

3.5.3 Denial or Termination of Assistance – Families with Disabled Household Members

LRHA's decision to deny or terminate the assistance to a household that includes a person with disabilities is subject to consideration of reasonable accommodation.

When applicants with disabilities are denied assistance, the notice of denial will inform them of LRHA's informal review process and their right to request a hearing. In addition, the notice will inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process.

When a household's assistance is terminated, the notice of termination will inform them of LRHA's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, LRHA will consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to LRHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the household to meet the requirements, LRHA must make the accommodation.

3.6 REASONABLE ACCOMMODATION

A person with a disability may require special accommodations in order to have equal access to the HCV program. The types of reasonable accommodations LRHA can provide include changes, exceptions, or adjustments to a rule, policy, practice, or service that allows the person with a disability to have equal access to the HCV program.

Requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for LRHA, or result in a "fundamental alteration" in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of LRHA's operations.

3.6.1 Types of Reasonable Accommodations

When requested, LRHA will make reasonable accommodations to modify normal procedures to accommodate the needs of a person with disabilities. Examples include but are not limited to:

- Permitting applications and reexaminations to be completed by mail;
- Conducting home visits;
- Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability;
- Using higher payment standards (either within the acceptable range or with HUD approval, if required, of a payment standard outside LRHA range) if LRHA determines this is necessary to enable a person with disabilities to obtain a suitable housing unit;
- Providing time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the household in seeking a unit;
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with LRHA staff; or
- Displaying posters and other housing information in locations throughout LRHA's office in such a manner as to be easily readable from a wheelchair.

3.6.2 Request for an Accommodation

If an applicant or client indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, LRHA will treat the information as a request for a reasonable accommodation, even if no formal request is made.

3.6.3 Modification to Provide Accessibility

Under the Fair Housing Act of 1988, an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises.

The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained.

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines.

3.6.4 Approval or Denial of a Requested Accommodation

LRHA will approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability;
- There is a disability-related need for the accommodation; and

- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on LRHA, or fundamentally alter the nature of LRHA's HCV operations (including the obligation to comply with HUD requirements and regulations).

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the cost of the requested accommodation, the financial resources of LRHA at the time of the request, the benefits that the accommodation would provide to the household, and the availability of alternative accommodations that would effectively meet the household's disability-related needs to the extent applicable to HCV.

After a request for an accommodation is presented, LRHA will respond, in writing, in a timely fashion.

If LRHA denies a request for an accommodation because there is no relationship found between the disability and the requested accommodation, the notice will inform the household of the right to appeal LRHA's decision through an informal hearing or review (if applicable).

If LRHA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of LRHA's operations), LRHA may review with the household alternative accommodations which could effectively address the household's disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.

If LRHA believes that the household has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, LRHA will notify the household, in writing, of its determination in a timely fashion. The notice will inform the household of the right to appeal LRHA's decision through an informal hearing.

3.6.5 Right to Appeal/Informal Hearing Process for Reasonable Accommodation

HCV program applicants or clients may file a complaint in accordance with LRHA's Informal Review/Hearing Policy following a formal determination by LRHA denying a reasonable accommodation. Persons with disabilities may also request reasonable accommodations to participate in LRHA Informal Review/Hearing process and LRHA will consider such accommodation.

3.7 PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS

HUD regulations require LRHA to ensure that persons with disabilities related to hearing and vision have reasonable access to LRHA's programs and services. LRHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

3.8 PHYSICAL ACCESSIBILITY

LRHA complies with the applicable requirements pertaining to physical accessibility, including the following:

- Notice PIH 2010-26;
- Section 504 of the Rehabilitation Act of 1973;
- The Americans with Disabilities Act of 1990;
- The Architectural Barriers Act of 1968; and
- The Fair Housing Act of 1988.

LRHA's policies concerning physical accessibility are readily available to applicants and households. They can be found in the following documents:

- This policy, the Administrative Plan, which describes the key policies that govern LRHA's responsibilities with regard to physical accessibility;
- PIH Notice 2010-26, which summarizes information about pertinent laws and implementing regulations related to nondiscrimination and accessibility in federally-funding housing programs; and
- LRHA's Annual Plans, which provides information about self-evaluation, needs assessment, and transition plans.

3.9 IMPROVING ACCESS FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Persons, published January 22, 2007 in the *Federal Register*.

LRHA will ensure that affirmative steps are taken to communicate with people who need services or information in a language other than English.

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this Administrative Plan, LEP persons are HCV applicants and clients, and parents and household members of applicants and clients.

In order to determine the level of access needed by LEP persons, LRHA will balance the following four factors:

- The number or proportion of LEP persons eligible to be served or likely to be encountered by the HCV program;
- The frequency with which LEP persons come into contact with the program;
- The nature and importance of the program, activity, or service provided by the program to people's lives; and
- The resources available to LRHA and costs.

Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on LRHA.

3.10 OUTREACH

It is LRHA's policy to encourage the participation of owners in the HCV program and to make the HCV program known and available to serve the needs of income-eligible families.

3.10.1 Applicant Outreach

LRHA will conduct outreach as necessary to ensure that there is a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted. LRHA outreach efforts will comply with fair housing requirements. Outreach may include print advertising and coordination with service providers such as community-based organizations, private housing owners and public and private homeless shelter

operators. Outreach activities will be performed in English and in other languages as deemed necessary by LRHA.

3.10.2 Owner Outreach

It is LRHA's policy to encourage the participation of owners in the HCV program and to make the HCV program known and available to serve the needs of income-eligible families. LRHA will encourage the owners of housing units in the City to provide safe, decent and sanitary housing to HCV program clients. See the chapter on Owners for additional policy information on **OWNER RECRUITMENT AND RETENTION**.

3.11 VIOLENCE AGAINST WOMEN ACT PROTECTIONS

The Violence against Women Act of 2013 (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault and stalking who are applying for or receiving assistance under the Housing Choice Voucher (HCV) or Public Housing program. VAWA protections are not limited to women, but cover victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation. Victims cannot be discriminated against on the basis on any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age.

LRHA's has one set of VAWA policies which related to the Housing Choice Voucher Program and Public Housing. As such, there may be separate references to both programs in the policies below.

3.11.1 Definitions as Used in the Violence Against Women Act

Definitions used under Violence Against Women Act (VAWA)

Domestic Violence: Felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Dating Violence: Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim and the existence of such a relationship is determined based on the following factors: length of the relationship; type of relationship; and frequency of interaction between the persons involved in the relationship.

Sexual Assault: Any non-consensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

Stalking: Engaging in a course of conduct directed at a specific person causing a reasonable person to fear for his or her safety or the safety of others or suffer substantial emotional distress.

Affiliated Individual: The term *affiliated individual* means, with respect to a person: A spouse, parent, brother or sister, or child of that individual, or an individual to whom that individual stands in the position or place of a parent; or any other individual, tenant, or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.

Bifurcate: means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

3.11.2 Prohibition against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault and Stalking

Applicants who otherwise qualify for assistance or admission will not be denied admission on the basis or as a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. VAWA does not limit LRHA's authority to deny assistance to an individual or household that is not otherwise qualified or eligible for assistance.

3.11.3 Prohibition against Termination of Assistance Related to Domestic Violence, Dating Violence, Sexual Assault and Stalking

Criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking, engaged in by a member of a tenant's family or any guest or other person under the tenant's control will not be the basis for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's household is the victim or threatened victim of that domestic violence, dating violence, sexual assault or stalking.

Incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking will not be construed either as serious or repeated violations of the Lease by the victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence.

LRHA may not terminate assistance to a family that moves out of an assisted unit in violation of the lease, with or without prior notification to LRHA, if the move occurred to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the unit

Notwithstanding the foregoing, LRHA may exercise its authority 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 household members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.

LRHA may exercise its discretion to bifurcate a lease in order to evict, remove or terminate assistance to tenants or lawful occupants who perpetrate such violence against victims or affiliated individuals.

Further, LRHA retains its authority to terminate the tenancy of any tenant if LRHA concludes that there is an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant is not evicted or terminated from assistance. VAWA does not limit LRHA's authority to deny or terminate assistance to an individual or family that is not otherwise qualified or eligible for assistance.

LRHA may terminate assistance or evict a tenant for any violation of the lease **not** premised on the kinds of violence described above, as long as LRHA refrains from subjecting a victim of domestic violence, dating violence, sexual assault, or stalking to a more demanding standard than applied to other tenants facing Lease termination. VAWA does not limit LRHA's authority to deny or terminate assistance to an individual or family that is not otherwise qualified or eligible for assistance.

Notwithstanding the protections provided to tenants under VAWA, LRHA will:

- Comply with court orders that address the rights of access to or control of property, including civil protection orders issued to protect victims of domestic violence, dating violence, sexual assault, and stalking; and
- Comply with court orders that address the distribution or possession of property among members of a household.

In the event LRHA evicts, removes or terminates assistance to an individual by bifurcating the lease, LRHA will refrain from penalizing the victim of such criminal activity who is a tenant or lawful occupant. LRHA will also provide any remaining family members an opportunity to establish eligibility for continued occupancy, if the individual evicted as a result of the bifurcation of the lease was the sole tenant eligible for housing assistance. If a tenant is unable to establish eligibility, LRHA will provide tenant a reasonable time, not to exceed 60 days, to find new housing.

This policy permits LRHA to provide emergency transfers to victims of domestic violence, dating violence, sexual assault and stalking if the tenant expressly requests the transfer and the tenant reasonably believes that he/she is threatened with imminent harm from further violence if the tenant remains in the unit. In the case of a tenant who is the victim of sexual assault, an emergency transfer may be provided if the individual reasonably believes there is a threat of imminent harm from further violence if they remain in their unit or if the individual reasonably believes there is a threat of imminent harm from further violence if they remain in their unit or if the sexual assault occurred on the premises during the 90 day period preceding the request for a transfer.

LRHA will maintain the confidentiality of the tenant's new location in the event the tenant receives an emergency transfer related to VAWA protections.

3.11.4 VAWA Self-Petitioners

LRHA will review non-citizen applicant or tenant requests for admission or continued occupancy as a result of being a self-petitioner under the Violence against Women Reauthorization Act of 2013.

A VAWA self-petitioner is someone who claims to be a victim of "battery or extreme cruelty," which includes domestic violence, dating violence, sexual assault, or stalking perpetrated by their spouse or parent, and who indicates that they have "satisfactory immigration status; however, LRHA has not yet verified that his/her satisfactory immigration status. Satisfactory immigration status means an immigration status which does not make the individual ineligible for financial assistance. A VAWA self-petitioner may submit an I-360 VAWA Self Petition, an I-130 Family-Based VISA Petition or a USCIS Form 1-797 to demonstrate a claim of satisfactory immigration status. When a VAWA self-petitioner uses the Family Based VISA petition to satisfy immigration status, upon verification of the Family Based VISA petition, LRHA will require the petitioner to submit evidence of battery or extreme cruelty.

LRHA may provide assistance to a non-citizen, applicant VAWA self-petitioner while LRHA verifies his/her eligible immigration status. Additionally, LRHA may provide continued assistance to the non-citizen participant VAWA petitioner during the time that LRHA verifies his/her eligible immigration status. Housing assistance and all other VAWA protections will be granted to the VAWA self-petitioner throughout the verification process until a final determination of lawful permanent residency can be made.

If LRHA later determines that the VAWA self-petitioner does not have eligible immigration status, LRHA will notify the individual and take action to terminate assistance.

3.11.5 Confidentiality Requirements – VAWA

LRHA will not disclose or release or enter into any shared database any personally identifying information or individual information collected in connection with VAWA protections requested or denied except to the extent that the disclosure is:

- Requested or consented to by the individual in writing;
- Required for use in an eviction proceeding; or
- Otherwise required by applicable law.

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, LRHA will make reasonable attempts to provide notice to victims affected by the disclosure of information and will take steps necessary to protect the privacy and safety of the persons affected by the release of the information.

At the time the applicant is denied, LRHA may share the following:

- Non-personally identifying data in the aggregate regarding services to their tenants and non-personally identifying demographic information in order to comply with Federal or State reporting, evaluation, or data collection requirements;
- Court-generated information and law enforcement-generated information containing insecure, governmental registries for protection order enforcement purposes; and
- Law enforcement-generated and prosecution-generated information necessary for law enforcement and prosecution purposes.

3.11.6 Notification to Applicants, Households and Owners Regarding Protections under VAWA

LRHA will provide applicants and tenants in assisted housing with HUD's VAWA Notice of Occupancy Rights and VAWA Certification Form:

- When an applicant is denied;
- At admission to Public Housing or the Housing Choice Voucher program;
- With any notification of eviction or notification of termination of assistance.

LRHA will also provide owners with the VAWA Notice of Occupancy Rights and VAWA Certification Form.

3.11.7 Victim Documentation

LRHA will require that an applicant claiming that the cause of an unfavorable history is that a member of the applicant family is or has been a victim of domestic violence, dating violence, sexual assault, or stalking provide documentation of such claim, including:

- Demonstrating the connection between the abuse and the unfavorable history; and
- Naming the perpetrator of the abuse if it is safe to provide the name and if it is known to the victim.

When a family is facing termination of assistance because of the actions of a tenant, household member, guest, or other person under the tenant's control and a client or affiliated individual of the tenant's household claims that she or he is the victim of such actions and that the actions are related to domestic violence, dating violence, sexual assault or stalking, LRHA will require the individual to submit documentation affirming that claim.

Tenants may provide **one** of the following to demonstrate that they should receive protections under VAWA:

- A completed HUD-approved VAWA certification form that documents an incident of domestic violence, dating violence, sexual assault, or stalking.
- A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual

assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.

- A statement, which the tenant/applicant must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, social worker, legal assistance provider, pastoral counselor, medical professional or a mental health professional (collectively, “professional”) from whom the applicant/tenant sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by the applicant/tenant attesting under penalty of perjury that he or she believes that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.

Individuals or families claiming that they are a victim of domestic violence, dating violence or stalking may obtain a VAWA Certification Form from designated LRHA locations.

3.11.8 Time Frame for Submitting Documentation

If an applicant for, or tenant of, LRHA housing represents to LRHA that they are entitled to protections under VAWA, LRHA may request, in writing that the applicant submit a form of documentation as described above. The tenant must submit the required certification and supporting documentation to LRHA within fourteen (14) business days after LRHA has requested the documentation from the applicant/tenant. The 14-day deadline may be extended at LRHA’s discretion. If the individual does not provide the required certification and supporting documentation within fourteen (14) business days of LRHA’s request, or within the approved extension period, LRHA may proceed with denial or termination of assistance.

If LRHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant’s tenancy is not terminated, LRHA will bypass the standard process and proceed with the immediate termination of the family’s assistance.

3.11.9 Perpetrator Documentation

If the perpetrator of the abuse is a member of the applicant/tenant household, the applicant/head of household must provide additional documentation consisting of one of the following:

- A signed statement requesting that the perpetrator be removed from the application or household and certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit; or
- Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence services provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury that to his or her belief, the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

Perpetrator documentation must be submitted to LRHA within the same timeframe as victim documentation.

3.11.10 Terminating Tenancy of a Domestic Violence Offender

This section does not provide protection for perpetrators of domestic violence, dating violence, sexual assault or stalking. LRHA may terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against household members or others without terminating assistance to, or otherwise penalizing, the victim of such violence who is also a tenant or lawful occupant. This authority supersedes any local, state, or other federal law to the contrary. However, if LRHA

chooses to exercise this authority, LRHA will follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance.

When the actions of a client or other household member result in a decision to terminate the household's assistance and another household member claims that the actions involve criminal acts of physical violence against household members or others, LRHA will request that the victim submit the required certification and supporting documentation in accordance with the stated timeframe. If the certification and supporting documentation are submitted within the required timeframe, or any approved extension period, LRHA will terminate the offender's assistance. If the victim does not provide the certification and supporting documentation, as required, LRHA will deny relief for protection under VAWA and proceed with termination of the household's assistance.

If LRHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the client's tenancy is not terminated, LRHA will bypass the standard process and proceed with the immediate termination of the household's assistance.

3.11.11 Transfers and Portability under VAWA

LRHA may provide a voucher and allow a household to move in violation of its lease if the household has complied with all other obligations of the voucher program and has moved out of the assisted unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence, stalking or sexual assault and who reasonably believes that he or she is imminently threatened by harm from further violence if he or she remains in the assisted unit. See LRHA's Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking which is attached as an exhibit to this Plan; see [VAWA EMERGENCY TRANSFER PLAN](#).

3.11.12 Response to Conflicting Certification

In cases where LRHA receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, LRHA may determine which is the true victim by requiring third-party documentation from each member as described in this Plan. Third-party documentation to substantiate the occurrence of a VAWA-related offense must be submitted within 30 calendar days. LRHA shall honor any court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim or to address the distribution or possession of property among the household.

3.11.13 Remedies Available to VAWA Victims

Notwithstanding any federal, state, or local law to the contrary, LRHA may bifurcate (divide in two) a lease, or remove a household member from a lease without regard to whether the household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against household members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is 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, or local law for termination of assistance or leases under the relevant Public Housing, Section 8 HCV, and Section 8 Project-Based programs. Tenants who remain in the household after a lease bifurcation, who have not already established eligibility for housing assistance will be given at least 90 days from the date of the bifurcation of the lease in order to establish eligibility for housing assistance or to find alternative housing.

3.11.14 VAWA Record Retention

LRHA will retain a record of all VAWA emergency transfer requests and outcomes for a period not less than three years. LRHA will follow HUD reporting requirements regarding VAWA emergency transfer requests and outcomes.

CHAPTER 4: APPLICATION, WAITING LIST & TENANT SELECTION

4.1 OVERVIEW

When a family wishes to receive assistance under the HCV program, the family must submit an application that provides LRHA with the information needed to determine the family's eligibility. When HCV assistance becomes available, LRHA will select families from the waiting list in accordance with HUD requirements and LRHA policies as stated in the administrative plan and approved annual plans.

LRHA is required to adopt clear policies and procedures for accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow these policies and procedures consistently.

HUD regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that LRHA affirmatively further fair housing goals in the administration of the program. Adherence to the selection policies described in this chapter ensures that LRHA will be in compliance with all relevant fair housing requirements.

This chapter describes HUD and LRHA policies for taking applications, managing the waiting list and selecting families for HCV assistance.

4.2 APPLYING FOR ASSISTANCE

Families may obtain application forms from the LRHA's office when the waitlist is open as instructed in the Waitlist Opening announcement. Families may also request—by telephone, email, or by mail—an application be mailed to them via first class mail. Only one application will be accepted for each Head of Household.

Completed applications must be returned to the LRHA as instructed in the Waitlist Opening announcement and the instructions provided with the application. Applications must be complete in order to be accepted by the LRHA for processing. If an application is incomplete, where contact information is provided, LRHA will notify the family of the additional information required in order to be accepted for processing. The application will not be assigned a date and time of receipt until it is returned complete.

4.3 ACCESSIBILITY OF THE APPLICATION PROCESS

LRHA will take steps to ensure that the application process is accessible to those people who might have difficulty complying with the standard LRHA application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP). LRHA will make reasonable accommodations to meet the needs of individuals with disabilities. The LRHA website homepage includes a message advertising free interpretive services for LRHA clients in various languages.

4.4 PLACEMENT ON THE WAITING LIST

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

When the waiting list is continuously open, applicants will be placed on the waiting list according to the claimed preference and date and time their completed pre-application is received by LRHA. When the waiting list is open for a finite period of time, LRHA will notify applicants of the method for submitting applications and ordering applications on the waiting list.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list. Applicants will be

placed on the waiting list according to any preference(s) for which they qualify, and the date and time their complete application is received by the LRHA.

4.5 ORGANIZATION OF THE WAITING LIST

The HCV waiting list will be organized in such a manner to allow LRHA to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan. LRHA will maintain a single waiting list for the HCV tenant-based vouchers and will utilize site-based waiting lists for the project-based program.

The waiting list will contain the following information for each applicant listed:

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference;
- Racial or ethnic designation of the head of household.

The LRHA will not merge the HCV waiting list with the waiting list for any other program the LRHA operates.

4.6 CLOSING OF THE WAITING LIST

LRHA will close the waiting list when the estimated waiting period for housing assistance for applicants on the list reaches 24 months for the most current applicants. Where the LRHA has particular preferences or funding criteria that require a specific category of family, LRHA may continue to accept applications from these applicants while closing the waiting list to others.

4.7 REOPENING THE WAITING LIST

LRHA will announce the reopening of the waiting list at least seven (7) business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.

LRHA will give public notice by publishing the relevant information in newspapers of general circulation, minority media and other suitable media outlets.

4.8 FAMILY OUTREACH

LRHA will monitor the characteristics of the population being served and the characteristics of the population as a whole in the LRHA's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

4.9 REPORTING CHANGES IN FAMILY CIRCUMSTANCES

While the family is on a waiting list, the family must update its application online or, in writing. To update the application through LRHA, a written request for update must be submitted by the family to LRHA. Families are required to update their application to reflect changes in income, family composition, and/or contact information, including current residence, mailing address, and phone number. Failure to report these changes may affect a family's placement on the waiting list(s) and could result in removal of the family's name from the waiting list. Changes will not be accepted verbally or over the phone.

4.10 FAMILY BREAK-UP OR SPLIT HOUSEHOLDS WHILE ON THE WAITING LIST

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

In the absence of a judicial decision, or an agreement among the original family members, LRHA has the discretion to determine which members of the family will retain the original application date.

In making its determination, LRHA will take into consideration the following factors:

- The interest of any minor children, including custody arrangements;
- The interest of any ill, elderly, or disabled family members;
- The interest of any family member who is the victim of domestic violence, dating violence, sexual assault, or stalking, including a family member who was forced to leave an assisted unit as a result of such actual or threatened abuse;
- Any possible risks to family members as a result of criminal activity; and
- The recommendations of social service professionals.

4.11 UPDATING THE WAITING LIST

In order to have an adequate number of families on the waiting list(s), it is necessary to have current and updated waiting list(s). LRHA will review the waiting list(s) on a regular basis to determine if an update and purge are necessary. If an update is needed, LRHA will notify the families, at the time of the update, of the method and time frames to be used to update the waiting list. The family's response must be submitted in the time frame and format required by LRHA.

Eligible applicants who respond timely and completely will be maintained on the waiting list(s). Applicants who do not respond timely and completely to any update request will be withdrawn (or purged) from the waiting list(s) without further notice.

If a notice is returned by the post office, with no forwarding address, the applicant will be withdrawn from the waiting list. LRHA will send a notice of withdrawal.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. If the family does not respond within the required time frame, the family will be removed from the waiting list. LRHA will send a notice of withdrawal.

If a family is removed from the waiting list for failure to respond, the LRHA may reinstate the family if it is determined that the lack of response was due to LRHA error, or to circumstances beyond the family's control.

4.12 REMOVAL FROM THE WAITING LIST

LRHA will remove a family from the waiting list under the following circumstances:

- The applicant requests removal of their name from the waiting list;
- LRHA determines the family is not eligible for assistance;

- The applicant fails to respond to a written request to supply information to LRHA within an applicable time parameter;
- The applicant fails to attend a scheduled appointment at LRHA (LRHA may grant a second appointment upon request);
- The applicant receives a Housing Choice Voucher; or
- The applicant fails to attend two scheduled briefing sessions.

LRHA will not remove an applicant from any other LRHA waiting lists when housed under the Housing Choice Voucher program.

If a family is removed from the waiting list because the LRHA has determined the family is not eligible for assistance, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding the LRHA's decision. See LRHA policies on informal reviews for applicants who are removed from the waiting list. [INFORMAL REVIEWS – APPLICANTS](#)

4.13 TARGETED FUNDING

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

- Mainstream Vouchers – Non-Elderly, Disabled individuals who are homeless or exiting an institution.
- Emergency Housing Vouchers – Homeless, at risk of homelessness, domestic violence, high risk of housing instability.

4.14 SPECIAL ADMISSIONS

HUD may award funding for specifically-named families living in specified types of units (e.g., a family that is displaced by demolition of public housing). In these cases, LRHA may admit such families whether or not they are on the waiting list, and, if they are on the waiting list, without considering the family's position on the waiting list. These families are considered non-waiting list selections. LRHA will maintain records showing that such families were admitted with special program funding.

4.15 INCOME TARGETING

LRHA will ensure that extremely low-income (ELI) families make up at least 75 percent of the families admitted to the HCV program during LRHA's fiscal year. ELI families are those with annual incomes at or below the federal poverty level or 30 percent of the area median income, whichever number is higher.

LRHA will monitor progress in meeting the income targeting requirements throughout the fiscal year. Extremely low-income families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

4.16 LOCAL PREFERENCES

LRHA may establish limited local preferences through LRHA Board approval. These limited local preferences are targeted for specifically named households and are based on LRHA and community

priorities or HUD targeted funding. LRHA may define a specific number of HCVs that will be allocated to each local preference. The number of housing opportunities and eligibility and admissions criteria may vary from preference to preference.

Where applicants applied to LRHA when different local preferences were in effect, LRHA will honor their existing (when they applied) local preference in selecting applicants for six months after the Administrative Plan removing or revising the preference(s) has been approved by the Board. Thereafter, LRHA will select applicants using the new preferences and selection policies.

Where a limited local preference includes an annual allocation of vouchers, LRHA will issue vouchers to families meeting that preference until the annual allocation has been met. When a participant with a local preference voucher leaves the program, if LRHA has already met the annual allocation for that preference, LRHA will not reissue a voucher to a family meeting that preference.

LRHA will issue all available vouchers first to the annual allocation of local preference families per LRHA's selection criteria. Where there are no families on the waiting list who qualify for any of LRHA's preferences, LRHA will select the next family on the waiting list based on date and time of application. Alternatively, LRHA may open the waiting list to people to whom the preference applies. In these cases, LRHA will follow its waiting list policies for opening and closing the waiting list. Within a specific preference group, applicants will be selected using date and time of application.

Applicants who qualify for multiple preferences will be selected for the first preference for which they qualify.

The local preferences for Permanent Supportive Housing, Working Families and Emergencies do NOT apply to the Project Based program.

See policies on [ORDER OF SELECTION](#) for order of selection among families with preferences and families with no preferences.

4.16.1 Emergency Preference

LRHA has a limited local preference to provide emergency rental assistance to qualified households who have been directly affected by natural disasters or other extreme emergencies and victims of domestic violence, dating violence, sexual assault or stalking. LRHA will allocate 15 vouchers annually for the Emergency preference. The number of housing opportunities provided annually may be increased in accordance with additional federal rental subsidies and/or other housing resources provided to LRHA in connection with a natural disaster declared by LRHA's unit of local government, where applicable. Applicants affected by natural disasters must be certified and referred by either the Mayor or the Managing Director of the City of Lynchburg; be income eligible; and meet all applicable program eligibility and suitability requirements.

4.16.2 Homeless Preference

LRHA has established a limited local preference for 15 vouchers for homeless families. The HEARTH Act, passed in May 2009, amended the McKinney-Vento Homeless Assistance Act, and included a revised definition of homeless that applied to HUD's Homeless Assistance Programs. PIH Notice 2013-15 adopted Category (1) and Category (4) of the HEARTH Act as the definition of Homeless for the programs administered under the Public & Indian Housing Office. To qualify for this limited local preference, one or both of these definitions must apply:

- Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for 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 a place not meant for human habitation immediately before entering that institution;

- Individuals and families who are fleeing, or are 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.

4.16.3 Permanent Supportive Housing (PSH) Move-Up Preference

LRHA is committed to a relationship with the Central Virginia Continuum of Care (CoC) and providing housing opportunities to end homelessness in the Lynchburg area

LRHA has a limited local preference for 15 vouchers for the PSH Move-Up preference. The PSH preference applies to formerly homeless individuals and families that have been participating in a Permanent Supportive Housing program and no longer need the supportive services of that program; however, but still need a housing subsidy to assure continued housing stability.

To qualify, the applicant must:

1. Meet the definition of homeless at the time of entry into the PSH program;
2. No longer require the level of supportive services that the PSH program provides; and,
3. Must be referred by the CoC program provider.

Referrals will be accepted continuously, even when the waiting list is closed to other applicants.

4.16.4 Working Family Preference

LRHA has established a limited local preference for working families and will allocate 15 vouchers per year for this preference.

A working family is defined as a family where the head, co-head or spouse is working at least 35 hours per week/1820 per year or a family where the head, co-head or spouse is elderly or a person with disabilities.

4.17 VERIFICATION OF PREFERENCE

Verification is required for each preference. LRHA will verify preference when an applicant is selected from the waiting list. Applicants who cannot verify their selection preference will be returned to the waiting list and reordered with any remaining applicable preference by date and time of application. See Appendix: **VERIFICATION OF LOCAL PREFERENCES**, which includes verification requirements for each preference.

4.18 ORDER OF SELECTION

Families will be selected from the waiting list based on the targeted funding or local preference(s) for which they qualify, and in accordance with the LRHA's hierarchy of preferences.

LRHA has adopted the following hierarchy of preferences and will select families from the waiting list as follows when voucher funding is available.

1. Emergency Preference (15 vouchers annually)
2. Homeless Preference (15 vouchers annually)
3. Permanent Supportive Housing: Move-Up Preference (15 vouchers annually)
4. Working Family Preference (15 vouchers annually)
5. Families with no preference

Within each preference category, families will be selected according to the date and time their complete application is received by LRHA.

If there are no families who qualify for the preferences or if all local preference allocations have been exhausted for the year, LRHA will select the first family on the waiting list based on date and time of application. Examples of selection scenarios are outlined below:

- LRHA has a voucher available:
 - There are no applicants on the waiting list who qualify for the Emergency preference or LRHA has leased 15 Emergency preference vouchers for the year, LRHA will select the first family on the waiting list who qualifies for the Homeless preference, assuming the annual allocation of the Homeless preference has not been met..
- LRHA has a voucher available:
 - The annual allocation of vouchers for all local preferences has been met. The family with the earliest date and time on the waiting list is a working family. LRHA will select this family for the voucher because they are the next family on the waiting list, even though they also qualify for the Working Family preference.
- LRHA has 2 vouchers available for leasing:
 - LRHA has issued all Emergency vouchers for the year and has also issued 14 Homeless preference vouchers and 14 Permanent Supportive Housing: Move-Up Preference vouchers. Since the annual allocation of Homeless and Permanent Supportive Housing: Move-Up Preference vouchers is 15 each, LRHA would select the family with the earliest date and time who met the Homeless preference and then select the family with the earliest date and time who met the Permanent Supportive Housing: Move-Up preference.

Documentation will be maintained by LRHA as to whether families on the waiting list qualify for and are interested in targeted funding. If a higher placed family on the waiting list is not qualified or not interested in targeted funding, there will be a notation maintained on the waiting list so that the LRHA does not have to ask higher placed families each time targeted selections are made.

4.19 NOTIFICATION OF SELECTION

LRHA will notify the family by mail when it is selected from the waiting list. If a notification letter is returned to LRHA with no forwarding address, the family will be removed from the waiting list. A notice of denial will be sent to the family's address of record, as well as to any known alternate address.

If an applicant fails to respond, in the manner and time frame requested by LRHA, the applicant may be withdrawn from the waiting list(s). When a family is withdrawn from the waiting list for failure to respond, no informal review will be offered. Such failures to act on the part of the applicant prevent LRHA from making an eligibility determination; therefore no informal review is required.

LRHA may notify the applicant by phone in order to expedite the briefing process.

4.20 DETERMINATION OF ELIGIBILITY

Once a family has been selected from the waiting list, an eligibility determination shall be made according to federal law, regulations governing State law and any applicable policies set forth in this Administrative Plan. See the chapter on **ELIGIBILITY** for policies related to eligibility interviews and screening.

CHAPTER 5: ELIGIBILITY

5.1 OVERVIEW

Every individual and family admitted to the HCV program must meet all program eligibility requirements. This includes any individual approved to join a family after the family has been admitted to the program. Families must provide any information needed by LRHA to confirm eligibility and determine the level of the family's assistance.

LRHA will consider the following when determining eligibility and suitability for the HCV program:

The applicant family must:

- Qualify as a family as defined by LRHA;
- Have income at or below specified income limits;
- Qualify on the basis of citizenship or the eligible immigrant status of family members;
- Provide Social Security number information for all family members as required;
- Consent to LRHA's collection and use of family information as provided for in LRHA-provided consent forms; and
- Provide all required documents.

LRHA will determine that the current or past behavior of household members does not include activities that are prohibited by LRHA.

If a family is deemed ineligible or unsuitable for admission, the family will be removed from the waiting list.

5.2 DEFINITIONS

5.2.1 Family and Household

Applicants must qualify as a *Family* as defined in 24 CFR part 5.403. *Family* includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

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

- A displaced family; and
- The remaining member of a tenant family.
- A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.

Gender Identity means actual or perceived gender characteristics.

Sexual Orientation means homosexuality, heterosexuality, or bisexuality.

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

Household

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

5.2.2 Head of Household

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a co-head.

The family may designate any qualified family member as the head of household. The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

5.2.3 Spouse, Co-Head and Other Adult

A family may have a spouse or co-head, but not both.

Spouse means the marriage partner of the head of household.

- A marriage partner includes the partner in a "common law" marriage as defined in state law. The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.
- A *co-head* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one co-head. Minors who are emancipated under state law may be designated as a co-head.
- Other adult means a family member, other than the head, spouse, or co-head, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.
- Minors who are emancipated under state law may be designated as a cohead.

5.2.4 Interdependent Relationship or Domestic Partnership

To claim an interdependent relationship or domestic partnership, individuals must demonstrate and certify that each individual's income and other resources will be available to meet the needs of the family and that the family otherwise comprises a "housekeeping unit," meaning the individuals share expenses, household

chores, household shopping responsibilities, and other common household activities. An interdependent relationship/domestic partnership may exist regardless of actual or perceived sexual orientation, gender identity, or marital status.

An interdependent relationship or domestic partnership is defined as a committed relationship between two adults, in which the partners:

- Maintain a common residence, and intend to continue to do so (or would maintain a common residence but for an assignment abroad or other employment-related, financial, or similar obstacle);
- Are at least 18 years of age and mentally competent to consent to contract;
- Share responsibility for a significant measure of each other's financial obligations;
- Are not the domestic partner of anyone else;
- Are willing to certify, if required by the agency, that they understand that willful falsification of any documentation required to establish that an individual is in a domestic partnership may lead to disciplinary action and the recovery of the cost of benefits received related to such falsification.

5.2.5 Dependent

A *dependent* is a family member who is:

- Either under 18 years of age; or
- A person of any age who is a person with a disability; or
- A full-time student.

The following persons can **never be dependents**:

- The head of household;
- Spouse;
- Co-head;
- Foster children;
- Foster adults; and
- Live-in aides.

5.2.5.1 Joint Custody of Dependents

Dependents that are subject to a joint custody arrangement will be considered a member of the family if the dependent lives with the applicant or client family 50 percent (at least 183 days/year) or more of the time. When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the admission or reexamination will be able to claim the dependents.

When more than one applicant or tenant (regardless of program) is claiming the same dependents as family members, the family with primary physical custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family will be allowed to claim the

dependents, LRHA will make the determination based on available documents such as court orders and IRS income tax returns showing which family has claimed the child for income tax purposes, school records, and/or other credible documentation.

LRHA may make an exception to the Subsidy Standard policy set forth in this plan and allow two assisted households space for the same dependent children where there is joint physical and legal custody; however, LRHA will only allow one household to claim the dependent deduction. Exceptions to the Subsidy Standard policy for these instances will be reviewed on a case-by-case basis.

5.2.6 Other Adult

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

5.2.7 Full-Time Student

A *full-time student* (FTS) is 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).

5.2.8 Elderly Persons

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

5.2.9 Near-Elderly Persons

A *near-elderly person* is a person who is at least 50 years of age but below the age of 62.

5.2.10 Elderly Family

An *elderly family* is one in which the head, spouse, co-head, or sole member is an elderly person. Identifying elderly families is important because these families qualify for special deductions from income.

5.2.11 Persons with Disability and Disabled Family

Persons with Disabilities: There are two different definitions for disabled persons used in the HCV program. One definition is used to qualify a family for the disabled household deduction and the other is used in determining eligibility for a reasonable accommodation. See Appendix: [DEFINITION OF A PERSON WITH A DISABILITY](#) for the applicable definitions.

Disabled Family: A disabled family is one in which the head, spouse, or co-head is a person with disabilities.

5.2.12 Guests

A *guest* is a person temporarily staying in the unit with the consent of a member of the household who has express or implied authority to so consent. A guest may remain in the assisted unit no longer than 14 consecutive days or a total of 30 cumulative days during any 12-month period if permission is given in writing by the Landlord and LRHA.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than 50 percent of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure that is expected to last 40 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

5.2.13 Multiple Families in the Same Household

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

5.2.14 Foster Children and Foster Adults

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

A *foster adult* is usually a person with disabilities, unrelated to the tenant family, who is unable to live alone.

A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards according to 24 CFR 982.401.

Foster children and foster adults who are living with an applicant or assisted family are considered household members, but not family members. Foster children/adults do not qualify for a dependent deduction. See policies on [INCOME OF FOSTER CHILDREN AND FOSTER ADULTS](#).

5.2.15 Live-In Aide

Live-in aide means a person who resides with one or more elderly persons or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

LRHA will approve a live-in aide if needed as a reasonable accommodation, to make the program accessible to and usable by the family member with disabilities.

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in income calculations. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family. See verification requirements for in the chapter on verification: [Live-In Aide](#).

LRHA will apply the same screening criteria used for determining initial and continued eligibility/suitability for applicants and tenants when determining approval/disapproval of a particular person as a live-in aide. These criteria include, but are not limited to, disapproval of admission if the person:

- Committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- Is subject to a lifetime registration requirement under a State Sex offender registration program;
- Committed drug-related criminal activity or violent criminal activity; or
- Currently owes rent or other amounts to LRHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

5.2.16 Veteran

A veteran is a person who served in the active military (Army, Navy, Air Force, Marines or Coast Guard, Reservists and/or National Guard) and who was discharged or released from such service under conditions other than dishonorable. LRHA may request discharge documentation to verify honorable discharge.

5.3 INCOME ELIGIBILITY

5.3.1 Income Limits

HUD establishes income limits for all areas of the country and publishes them annually in the *Federal Register*. They are based upon estimates of median family income with adjustments for family size. The income limits are used to determine eligibility for the program and for income targeting purposes.

- Definitions of the Income Limits [24 CFR 5.603(b)]
 - *Low-income family*. A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.
 - *Very low-income family*. A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.
 - *Extremely low-income family*. A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher.

If a family does not meet the income limits for the program, their admission must be denied; see [Income Limits for Eligibility](#).

5.3.2 Income Limits for Eligibility

Income limits are used for eligibility only at admission. Income eligibility is determined by comparing the annual income of an applicant to the applicable income limit for their family size.

In order to be income eligible, an applicant family must be one of the following:

- An *extremely low-income* or *very low-income* family.
- A *low-income* family that has been "continuously assisted" under the 1937 Housing Act.
- A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments, or other HUD-assisted multifamily homeownership programs covered by 24 CFR 248.173.
- A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing.

5.3.3 Continuously Assisted

LRHA will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time they were issued a voucher by LRHA or if there is a break in assistance under any 1937 Housing Act program for a period of less than 30 days from the date of the screening appointment with LRHA. This policy assumes that the break in assistance is not due to adverse termination and that the applicant has left the prior program in good standing.

5.3.4 Income Limits for Targeting

At least 75 percent of the families admitted to the LRHA's program during a LRHA fiscal year must be extremely low-income families

Families continuously assisted under the 1937 Housing Act and families living in eligible low-income housing that are displaced as a result of prepayment of a mortgage or voluntary termination of a mortgage insurance contract are not counted for income targeting purposes.

5.4 CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS

Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or non-citizens that have eligible immigration status. At least one family member must be a citizen, national, or non-citizen with eligible immigration status in order for the family to qualify for any level of assistance. See [VERIFICATION OF U.S. CITIZENSHIP AND OF ELIGIBLE IMMIGRATION STATUS](#) policies in the Verification chapter.

5.4.1 Declaration of Citizenship

Each family member must declare whether he/she is a citizen, a national, eligible non-citizen, or an individual who elects not to contend that they have eligible immigration status. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, co-head, and any other family member 18 or older, and by a parent or guardian for minors.

Those who elect not to contend their status are considered to be ineligible non-citizens. The family must identify in writing any family members who elect not to contend their immigration status.

No declaration is required for live-in aides, foster children, or foster adults.

5.4.2 U.S. Citizens and Nationals

Citizens and nationals are required to submit only a signed declaration as verification of their status.

Family members who declare citizenship or national status will not be required to provide additional documentation unless LRHA receives information indicating that an individual's declaration may not be accurate.

5.4.3 Eligible Non-Citizens

In addition to providing a signed declaration, those declaring eligible noncitizen status must provide documentation to confirm the claimed citizenship status and cooperate with LRHA efforts to verify their immigration status.

The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS.

LRHA will use the USCIS SAVE system to verify eligible immigration status.

5.4.4 Ineligible Non-Citizens

Ineligible non-citizens are those non-citizens who do not wish to contend their immigration status are required to have their names listed on a non-contending family members listing, signed by the head, spouse, or co-head (regardless of citizenship status), indicating their ineligible immigration status. LRHA is not required to verify a family member's ineligible status and is not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Providing housing assistance to non-citizen students is prohibited. This prohibition extends to the non-citizen spouse of a non-citizen student as well as to minor children who accompany or follow to join the non-citizen student. Such prohibition does not extend to the citizen spouse of a non-citizen student or to the children of the citizen spouse and non-citizen student. Such a family is eligible for prorated assistance as a mixed family.

5.4.5 Mixed Families

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible non-citizen. Families that include eligible and ineligible individuals are considered mixed families. Assistance to mixed families shall be prorated. Families will receive notice of determination as a mixed family. The notice will include the fact that assistance will be prorated and that the family may request a hearing if they contest this determination.

5.4.6 Ineligible Families

LRHA will not provide assistance to a family before the verification of at least one family member.

When a LRHA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice of the determination.

The notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance, and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with LRHA.

The informal hearing with the LRHA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice must also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process.

5.4.7 Timeframe for Determination of Citizenship Status

For new applicants, LRHA will ensure that evidence of eligible citizenship status is submitted no later than the date that LRHA completes verification of other aspects of eligibility for assistance.

LRHA will grant an extension to submit evidence of eligible immigration status if the family member:

- Submits the declaration, certifying that any person for whom required evidence has not been submitted is a noncitizen with eligible immigration status; and
- Certifies that the evidence needed to support a claim of eligible immigration status is temporary unavailable, additional time is needed to obtain and submit the evidence, and prompt and diligent efforts will be undertaken to obtain the evidence.

If an individual qualifies for a time extension for the submission of required documents, LRHA will grant such an extension for no more than 30 days LRHA's decision to grant or deny an extension will be issued to the family by written notice.

If the family fails to submit required evidence of eligible immigration status within the time period specified in the notice, or if the evidence is timely submitted but fails to establish eligible immigration status, LRHA will proceed to deny assistance.

5.5 SOCIAL SECURITY NUMBERS

The applicant and all members of the applicant's household must disclose the complete and accurate Social Security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN.

5.5.1 SSN Documentation

See policies on verification of Social Security numbers.

5.5.2 Persons Not Required to Provide Documentation of a Valid SSN

Individuals who do not contend eligible immigration status will NOT have a SSN to disclose. If otherwise eligible to participate in the program, the family should be admitted into the program or continue receiving assistance if at least one family member is a U.S. Citizen or has eligible immigration status.

Tenants who are 62 years old or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, who have not previously disclosed an SSN, will not be required to provide documentation of a valid SSN and remain exempt even if they move to a new assisted unit.

5.5.3 Timeframe to Submit Documentation of SSN

Assistance cannot be provided to the family until all SSN documentation requirements are met.

LRHA will request verification of the SSN during screening for eligibility. LRHA will defer the eligibility determination for a period of 60 days from the date of the screening appointment for families with members who are eligible to receive a SSN but who have not yet provided verification of their SSN. If after 60 days, required SSN documentation is not provided, LRHA will deny assistance. See policy exception below on Social Security numbers for children under the age of 6.

If a child under age 6 has been added to an applicant family within 6 months prior to voucher issuance, an otherwise eligible family may be admitted to the program and must disclose and document the child's SSN within 90 days of the effective date of the initial HAP contract. LRHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency. If a 90-day extension is merited, LRHA will verify the SSN for the child by the end of the 90-day extension period or follow the policies related to penalties for failure to disclose a SSN.

Participants who contend eligible immigration status and who have not previously disclosed a valid SSN must do so at their next scheduled or interim reexamination within 90 days of LRHA's request. LRHA may grant an additional 90-day period, if there are unforeseen circumstances beyond the family's control that prevent the family from complying with the SSN requirements or there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

If a proposed new household member is an adult, LRHA will not approve addition of the adult to the household until SSN documentation has been provided.

If the proposed new member is a minor child and has no SSN documentation, LRHA will allow the child to be added to the household; however SSN documentation must be provided within 90 days of the child being added to the household. LRHA, at its own discretion, may give an additional 90 days if LRHA determines that the participant's failure to comply was due to circumstances that could not have reasonably been foreseen and were outside the control of the participant. During the period that LRHA is awaiting

documentation; the child shall be included as part of the tenant household and the child shall be entitled to all the benefits of being a household member. If upon expiration of the provided time period, including any extensions, the tenant fails to produce an SSN for the child, the family will be subject to the penalties for failure to disclose a SSN.

LRHA will provide alternate ID numbers for eligible families that include members who are not U.S. Citizen or do not have eligible immigration status.

5.6 PENALTIES FOR FAILURE TO DISCLOSE SSN

Applicants:

- Denial of placement on the waiting list.
- Denial of eligibility.
- Termination of assistance (for households who were admitted and failed to provide SSN documentation for a family member under 6 years of age).

Participants:

- Termination of assistance and tenancy.

5.7 PHOTO ID

To ensure LRHA has the ability to identify all persons 18 years of age or older (not just the head of household), all adult household members will be required to provide a current, government-issued identification at admission, upon addition to an HCV household or upon turning 18. For example, if a household member turns 18 between regular reexaminations, he or she must provide a government issued photo identification at the household's next regular reexamination.

LRHA reserves the right to request an updated photo ID after admission to the program to confirm legal identity.

As an accommodation for individuals with disabilities and elderly individuals, as well as for individuals with religious considerations, with prior LRHA approval, LRHA may accept other forms of identification to establish identity.

5.8 REQUIRED DOCUMENTS

Applicants must provide birth certificates/proof of age/proof of birth for all household members. The family must supply any other information that LRHA or HUD determines necessary to the administration of the program.

5.9 FAMILY CONSENT TO RELEASE INFORMATION

HUD requires each adult family member and the head of household, spouse, or co-head, regardless of age, to sign form HUD-9886, Authorization for the Release of Information/Privacy Act Notice or comparable form authorized by HUD.

Additionally, family are required to sign other LRHA consent forms as needed to collect information relevant to the family's eligibility and level of assistance. LRHA will deny admission to the program if any member of the applicant family fails to sign and submit the consent forms which allow LRHA to obtain information that LRHA has determined necessary in the administration of the HCV program.

LRHA will deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information in accordance with 24 CFR 5, Subparts B and F [24 CFR 982.552(b)(3)].

5.10 STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION

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

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the student's eligibility must be examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income eligible for the student to receive HCV assistance. If, however, a student in these circumstances is determined independent from his/her parents in accordance with LRHA policy, the income of the student's parents will not be considered in determining the student's eligibility.

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

5.10.1 Determining Student Eligibility

If a student is applying for assistance on his/her own, apart from his/her parents, LRHA will determine whether the student is subject to the eligibility restrictions contained in 24 CFR 5.612. If the student is subject to those restrictions, LRHA will:

- Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program
- Determine whether the student is independent from his/her parents in accordance with the definition of *independent student* in this section
- Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the program

If LRHA determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, LRHA will send a notice of denial in accordance with the policies in [Error! Reference source not found..](#)

5.10.2 Definition When Determining Student Eligibility

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

Dependent Child

In the context of the student eligibility restrictions, *dependent child* means a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* in 24 CFR 5.603, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. Foster children and foster adults are not considered dependents.

Independent Student

The definition of *independent student* includes the following criteria. To be considered an independent student, the individual must meet one or more of the following criteria: (FR 9-21-16):

- The individual is 24 years of age or older by December 31 of the award year for which aid is sought;
- The individual is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older;
- The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's State of legal residence;
- The individual is a veteran of the Armed Forces of the United States (as defined in subsection (c)(1) of HEA) or is currently serving on active duty in the Armed Forces for other than training purposes;
- The individual is a graduate or professional student;
- The individual is a married individual;
- The individual has one or more legal dependents other than a spouse;
- The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth or as unaccompanied, at risk of homelessness, and self-supporting, by
 - A local educational agency homeless liaison,
 - The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (relating to emergency shelter grants) or a designee of the director
 - A financial aid administrator; or
- The individual is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.
- The individual was not claimed as a dependent by his/her parents pursuant to IRS regulations, as demonstrated on the parents' more recent tax forms.
- The individual provided a certificate of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

If LRHA determines that an individual meets the definition of a vulnerable youth such a determination is all that is necessary to determine that the person is an independent student for purposes of using only the student's income for determining eligibility for assistance.

LRHA will verify that the student meets the definition of Independent Student per the policies. See [Verifying Student Independence](#).

Institution of Higher Education

LRHA will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an *institution of higher education*. <https://www.gpo.gov/fdsys/pkg/USCODE-2011-title20/pdf/USCODE-2011-title20-chap28-subchap1-partA.pdf>

Parents

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

Person with Disabilities

LRHA will use the statutory definition under of the 1937 Act (definition used to qualify a family for the disabled household deduction) to determine whether a student is a *person with disabilities*. See [DEFINITION OF A PERSON WITH A DISABILITY](#).

Vulnerable Youth

A *vulnerable youth* is an individual who meets the U.S. Department of Education's definition of *independent student* in paragraphs (b), (c), or (h), as adopted in Section II of FR Notice 9/21/16:

- The individual is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or ward of the court at any time when the individual was 13 years of age or older
- The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's state of legal residence
- The individual has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting by:
 - A local educational agency homeless liaison
 - The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act or a designee of the director
 - A financial aid administrator

5.10.3 Determining Parental Income Eligibility

For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of *independent student* above, LRHA will determine the income eligibility of the student's parents as follows:

- If the student's parents are married and living together, LRHA will obtain a joint income declaration and certification of joint income from the parents.
- If the student's parent is widowed or single, LRHA will obtain an income declaration and certification of income from that parent.
- If the student's parents are divorced or separated, LRHA will obtain an income declaration and certification of income from each parent.
- If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, LRHA will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. LRHA will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

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

5.11 HOUSEHOLD MEMBER TURNING 18 BETWEEN ELIGIBILITY AND LEASE UP

Income and Deductions

When a family member will turn 18 between the date of eligibility and on or before the effective date of initial lease-up, LRHA will include the family member's income in the calculation of annual income. For example, LRHA completes an eligibility determination on November 1st. One of the family members is 17 at the time of screening and eligibility determination; however, the family finds a unit with a lease effective date of December 15th and this individual turns 18 on November 17th. LRHA will then calculate the income of that family member as if he/she was an adult, since the family member will be 18 by the effective date of the lease. Deductions will also be applied as if the family member was an adult. For example, a family member who is 17 at the time of eligibility determination, but 18 on the lease effective date, will NOT be given a dependent deduction unless that family member is a full time student or disabled.

Release Forms

When a household member will turn 18 between the date of eligibility determination, but on or before the effective date of lease-up, LRHA will have a parent/legal guardian sign any consent/release forms on behalf of that household member in order to authorize LRHA to obtain their income verification and count applicable income.

Criminal Background Check

When a household member will turn 18 between the date of eligibility determination, but on or before the effective date of lease-up, LRHA will have a parent/legal guardian sign the consent for criminal background check on behalf of that household member in order to authorize LRHA's criminal background check.

5.12 ELIGIBILITY INTERVIEW

Families selected from a waiting list(s) are required to participate in an eligibility interview which includes the completion of a full application.

The head of household and co-head are required to attend the eligibility interview.

If the family is unable to attend a scheduled interview, the family must contact LRHA in advance of the interview to schedule a new appointment. If a family does not attend a scheduled interview, LRHA will schedule a second (2nd) interview. If the family does not attend the 2nd scheduled interview, the family will be withdrawn from the waiting list(s). LRHA will send a withdrawal notice. Such failure to act on the part of the applicant prevents LRHA from making an eligibility determination; therefore, LRHA will not offer an informal review.

When applicable, selection criteria will be verified in accordance with the verification policy of this Admin Plan. If the basis for selection cannot be verified, the applicant will be returned to the waiting list, without the claimed selection criteria, retaining the same date and time of application.

The family must provide the information necessary to establish the family's eligibility and to determine the appropriate amount of rent the family will pay. The family must also complete required forms, provide required signatures, and submit required documentation.

Any required documents or information that the family is unable to provide at the time of the interview must be provided within seven (7) business days from the date of the request. If the family is unable to obtain the information or materials within the required time frame, LRHA may provide a reasonable extension as

necessary. Applicants who fail to provide the required information within LRHA established time frames (including any allowed extensions) will be withdrawn from the waiting list(s) based on the family's failure to supply information needed to determine eligibility. LRHA will send the applicant a withdrawal notice. Such failure to act on the part of the applicant prevents LRHA from making an eligibility determination; therefore, LRHA will not offer an informal review.

An advocate, interpreter, or other assistant may assist the family with the application and the interview process. Interviews will be conducted in English. For Limited English Proficiency (LEP) applicants, LRHA will provide translation services in accordance with LRHA's LAP plan.

5.13 APPLICANT SCREENING

LRHA conducts applicant screening to evaluate the eligibility and suitability of families who apply to the HCV program.

Debt, criminal background and sex offender screening policies include basic screening information, reasons for mandatory and non-mandatory denial and mitigating factors. Mitigating factors will be considered for certain screening outcomes. Upon consideration of mitigating factors, LRHA may, on a case-by-case basis, decide not to deny assistance.

If a tenant is terminated and re-applies, the applicant (former tenant) will be subject to all LRHA required screening elements to determine eligibility and suitability for the program.

The LRHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the initial HQS inspection or before. The LRHA will not provide any additional information to the owner, such as tenancy history or criminal history, etc.

5.14 EIV EXISTING TENANT SEARCH

Prior to admission to the program, LRHA will search for all household members using the EIV Existing Tenant Search module. LRHA will review the reports for any SSA matches involving another PHA or a multifamily entity and follow up on any issues identified.

If the tenant is a new admission to LRHA, and a match is identified, LRHA will contact the PHA or owner identified in the report to confirm that the family has moved out of the unit and obtain documentation of current tenancy status, including a form HUD-50058 or 50059, as applicable, showing an end of participation. LRHA will only approve assistance contingent upon the move-out from the currently occupied assisted unit.

5.15 EIV DEBTS OWED AND TERMINATIONS

All adult household members must sign the form HUD-52675 Debts Owed to Public Housing and Terminations. Any new members added to the household after admission will be required to sign the form HUD-52675 prior to being added to the household.

Prior to admission to the program, LRHA will search for each adult family member in the EIV Debts Owed to PHAs and Terminations module.

If a current or former tenant disputes the information in the module, the tenant should contact the PHA directly in writing to dispute the information and provide any documentation that supports the dispute.

If LRHA determines that the disputed information is incorrect, LRHA will update or delete the record from EIV. Former tenants may dispute debt and termination information for a period of up to three years from the end of participation date in the program.

5.16 DEBT SCREENING

LRHA will conduct debt screening on all members 18 years old or older.

EIV debt screening for prior debts incurred during previous participation in a federally assisted housing program will be conducted at the time of eligibility screening.

5.16.1 Mandatory Denial

LRHA will deny assistance:

- If the applicant family has current debt to LRHA or another PHA or a judgment against them in connection with participation in the HCVP or public housing program under the 1937 Act for amounts paid to an owner under a HAP contract for rent, damages to the unit or other amounts owed by the applicant family under the lease and the amount is not fully repaid within 30 calendar days from the date LRHA notifies the applicant of the debt; and/or
- If the applicant family has breached a repayment agreement with LRHA or another PHA entered in connection with participation in the HCVP or public housing assistance under the 1937 Act, and the amount is not fully repaid within 30 calendar days from the date of the screening appointment.

Mitigating Factors

Manager/Director review and approval is required when admission is based on mitigating factors. LRHA may consider the following factors when considering denial of assistance related to debt screening:

- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure.
- Circumstances which led to the creation of the debt, i.e. death of a household member, economy-related layoff.
- Current financial circumstances.
- The length of time since the debt was incurred, the family's recent history and the likelihood of favorable conduct in the future.

5.17 CRIMINAL BACKGROUND SCREENING

It is LRHA's policy to conduct screening for drug abuse and other criminal activity in an effort to prevent future drug-related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other tenants. In conducting screening, LRHA will comply with all applicable civil rights requirements contained in the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act and Titles II and III of the Americans with Disabilities Act of 1990 and other equal opportunity provisions listed in 24 CFR 5.105. Such screening will apply to any member of the household who is ~~14~~18 years of age or older at the time of lease-up or move-in, including live-in aides.

A signed Criminal Background Consent Form, authorizing the release of criminal records from law enforcement agencies must be completed by the party for whom the record is being requested or in the case of a minor the adult responsible for said minor. Failure to sign the consent form will result in the denial of assistance.

LRHA will ensure that adverse housing decisions based upon criminal activity are supported by sufficient evidence that the individual engaged in such activity. LRHA uses convictions, not arrest records, to determine that an individual has engaged in criminal activity. LRHA may deny admission based upon the

conduct underlying an arrest if the conduct indicates that the individual is not suitable for tenancy and LRHA has sufficient evidence other than the fact of arrest that the individual engaged in the conduct. The conduct, not the arrest, will be the relevant factor for admissions and tenancy determination. Reliable evidence of a conviction may be the basis for determining that disqualifying conduct occurred.

LRHA may use other evidence such as police reports detailing the circumstances of the arrest, witness statements and other relevant documentation to assist in making a determination that disqualifying conduct occurred.

Families are provided an opportunity to dispute the accuracy and relevance of a criminal record before admission or assistance is denied on the basis of such record. If LRHA proposes to deny assistance based on criminal record information, LRHA will notify the household of the proposed action and will make the record available upon request to the applicant. The applicant will have an opportunity to dispute the accuracy and relevance of the information through the informal review process. Applicants deemed ineligible as the result of a CRC will have seven (7) business days from receipt of a letter of ineligibility to request an informal review

If the criminal record check (CRC) identifies a pending criminal investigation, LRHA will suspend the eligibility determination until the criminal investigation is completed. LRHA will notify the applicant concerning their suspended eligibility status and request that the applicant notify LRHA when the investigation is complete, at which time LRHA will apply its eligibility and screening policies in making a final eligibility determination.

Criminal record checks will be considered current for a period of one year. If lease up (for new applicants) is not effective within one year from the date the CRC was run, a new CRC will be required.

The Appendix **CHARTS OF OFFENSES – DENIAL & TERMINATION** includes a chart detailing specific drug and criminal offenses and LRHA's timeframe for denial based on the timeframe between conviction and screening. In making determinations related to eligibility for admission to the program, LRHA will use the criminal background screening policies in this Plan in concert with the **Criteria for Denials** table in the Appendix of this Plan.

5.17.1 Mandatory Denial – Criminal Background Screening

LRHA will deny assistance related to criminal background screening as a result of one of the following.

- Any member of the household has been evicted from federally assisted housing in the last three (3) years for drug-related criminal activity.
- Any household member has been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- Any household member is currently engaged (any use during the previous six (6) months in use of illegal drugs.
- LRHA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

Mitigating Factors

Manager/Director review and approval is required when admission is based on mitigating factors. LRHA may consider the following when considering denial of assistance related to criminal background screening:

- Removal of the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

5.17.2 Non-Mandatory Denial – Criminal Background Screening

Where criminal background screening reveals criminal history, and denial is not mandatory, prior to making a final determination on denial of assistance, LRHA may consider the following mitigating factors.

Mitigating Factors

Manager/Director review and approval is required when admission is based on mitigating factors. LRHA may consider the following factors when considering non-mandatory denial of assistance related to criminal background screening:

- If the applicant is an active tenant or graduate in good standing in a LRHA approved city, state or federal re-entry program for ex-offenders and is meeting or has met and continues to meet the good standing requirements set forth in the re-entry program.
- The seriousness of the case, especially with respect to how it would affect other tenants.
- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure.
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or a victim of domestic violence, dating violence, or stalking.
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future.
- The level of violence, if any, of the offense for which the applicant was convicted.
- Evidence of the family's participation in or willingness to participate in social service or other appropriate counseling or rehabilitation service programs.
- Evidence of work history or history of community volunteer work.
- Satisfactory completion of probation.
- Removal of the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

5.18 SEX OFFENDER SCREENING

LRHA will perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in Virginia, as well as in any other state where a household member is known to have resided. LRHA will use the Dru Sjodin National Sex Offender database to screen applicants for admission.

5.18.1 Mandatory Denial

LRHA will deny admission to a family if a member of the household is subject to a lifetime registration requirement under a State Sex Offender Registration Program.

Mitigating Factors

Manager/Director review and approval is required when admission is based on mitigating factors. LRHA may consider the following when considering mandatory denial of assistance related to criminal background sex offender screening:

- Removal of the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

5.19 SCREENING BASED ON PAST OR CURRENT BEHAVIOR

Arrest records alone will not be used to make a determination of suitability. In addition to the criminal background check, LRHA may also use the following as evidence of patterns of current and past unsuitable behavior:

- Police reports detailing the circumstances of the arrest;
- Witness statements;
- Criminal background checks for drug-related or violent criminal activity of household members within the past three years;
- Any record of evictions for suspected drug-related or violent criminal activity of household members within the past three years; and/or
- Other relevant documentation to assist LRHA in making a determination that disqualifying conduct occurred.

5.19.1 Mandatory Denial – Past or Current Behavior

LRHA will deny assistance to a family when:

- LRHA determines any household member is currently engaged in the use of illegal drugs.
- LRHA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other tenants.
- LRHA determines that it has reasonable cause to believe that a Family member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the Premises by other tenants.
- If any member of the family has been evicted from housing assisted under the program for serious violation of the lease.
- If any member of the family has engaged in or threatened violent or abusive behavior toward PHA personnel.
 - *Abusive or violent behavior towards PHA personnel* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

- *Threatening* refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Mitigating Factors

Manager/Director review and approval is required when admission is based on mitigating factors. LRHA may consider the following when considering denial of assistance related to screening for past or current behavior:

- The seriousness of the case, especially with respect to how it would affect other tenants.
- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure.
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or a victim of domestic violence, dating violence, or stalking.
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future.
- Evidence of the family's participation in or willingness to participate in social service or other appropriate counseling service programs.
- Evidence of work history or history of community volunteer work
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully. LRHA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of the household member having been rehabilitated successfully.
- The circumstances that led to eviction no longer exist, i.e. the criminal household member has died or is imprisoned.
- Removal of the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

5.19.2 Non-Mandatory Denial – Past or Current Behavior

LRHA may deny assistance if:

- LRHA has ever terminated assistance under the program for any member of the family.
- Any member of the family has committed fraud or bribery or other corrupt or criminal act in connection with any federal housing program.
- A family member has engaged in or threatened violent or abusive behavior toward LRHA personnel, an owner, contractor, subcontractor or agent of LRHA. *Abusive or violent behavior* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior. *Threatening* refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

- A family member has engaged in or threatened the health, safety, or right to peaceful enjoyment of the premises by other tenants or persons residing in the immediate vicinity. Immediate vicinity means within a three-block radius of the premises.

Mitigating Factors

Manager/Director review and approval is required when admission is based on mitigating factors. LRHA may consider the following factors when considering non-mandatory denial of assistance related to screening on past and current behavior:

- The seriousness of the case, especially with respect to how it would affect other tenants.
- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure.
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or a victim of domestic violence, dating violence, or stalking.
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future.
- Evidence of work history or history of community volunteer work.
- Evidence of the family's participation in or willingness to participate in social service or other appropriate counseling service programs.
- The circumstances that led to eviction no longer exist, i.e. the criminal household member has died or is imprisoned.
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully. LRHA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of the household member having been rehabilitated successfully
- Removal of the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

5.20 REASONABLE ACCOMMODATION

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of admission, LRHA may determine whether the behavior is related to the disability. If so, upon the family's request, LRHA will determine whether alternative measures are appropriate as a reasonable accommodation. LRHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance. See discussion in [Reasonable Accommodations](#).

5.21 FINAL ELIGIBILITY DETERMINATION

Based on verified information, LRHA will make a final determination of eligibility and will confirm that the family is qualified for any special admission, targeted admission, or selection preference, where applicable, that affected the order in which the family was selected from the waiting list.

5.22 NOTICE OF ELIGIBILITY

If LRHA determines that the family is eligible to receive assistance, LRHA will notify the family of the eligibility determination and issue a voucher in accordance with the policies in this Plan.

5.23 DENIAL OF ASSISTANCE

If LRHA determines that the family is ineligible, LRHA will notify the family in writing in a timely manner of the determination. The notice will specify:

- The reasons for ineligibility,
- The family's right to an informal review,
- The process for obtaining the informal review,
- Notification of applicant protections against denial, confidentiality requirements and request for documentation as provided by VAWA.

If a family fails to qualify for any criteria that affected the order in which it was selected from the waiting list (e.g. targeted funding, extremely low-income), the family will be returned to the waiting list. LRHA will notify the family in writing that it has been returned to the waiting list, and will specify the reasons for the return.

5.24 PROHIBITED REASONS FOR DENIAL OF ASSISTANCE

LRHA is prohibited from denying assistance to the program based on any of the following criteria:

- Race, color, religion, sex, national origin or ancestry, age, familial status, age, disability, sexual orientation, gender identity, marital status, and genetic information.
- Where a family lives prior to admission to the program;
- Where the family will live with assistance under the program. Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside the LRHA's jurisdiction (see Portability policies on [Applicant Families](#)).
- Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;
- Whether the family includes children;
- Whether a family decides to participate in a family self-sufficiency program; or
- Whether or not a qualified applicant has been a victim of domestic violence, dating violence, sexual assault, or stalking if the applicant is otherwise qualified for assistance (see [Prohibition against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault and Stalking](#)).

5.25 DENIAL BASED ON CRIMINAL RECORD OR SEX OFFENDER REGISTRATION

If based on a criminal record or lifetime registration information, an applicant family appears to be ineligible, LRHA will notify the family in writing of the proposed denial and provide access to the record to the head of household (applicant) and to the subject of the record. The family will be given ten (10) business days to dispute the accuracy and relevance of the information.

If the family does not contact LRHA to dispute the information within ten (10) business days, LRHA will proceed with the denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal review process.

CHAPTER 6: SUBSIDY STANDARDS

Subsidy standards are established by LRHA to ensure that vouchers are issued to families for the appropriate size. Subsidy standards describe the factors LRHA uses to determine the voucher size for which a family qualifies, and includes the identification of the minimum and maximum number of household members for each unit size. This section also identifies circumstances under which an exception to the subsidy standards may be approved as well as other circumstances which dictate the voucher size for which a family qualifies.

Applicants who pass screening and are qualified for housing will be issued vouchers based on the policies established in this chapter. Units will be occupied by families of the appropriate size; however, the unit must meet the applicable HQS space requirements.

6.1 MINIMUM AND MAXIMUM PERSONS IN A UNIT

This table below provides general subsidy standard guidelines. This table must be used in conjunction with the narrative policies in section **DETERMINING FAMILY UNIT (VOUCHER) SIZE**.

Number of Bedrooms	Minimum Persons/Unit	Maximum Persons/Unit
0 BR	1	1
1 BR	1	2
2 BR	2	4
3 BR	3	6
4 BR	4	8
5 BR	6	10

LRHA will follow HUD's maximum HQS space standards in determining exceptions to the **maximum** allowable persons in a unit.

6.2 DETERMINING FAMILY UNIT (VOUCHER) SIZE

For each family, LRHA determines the appropriate voucher size under LRHA subsidy standards and enters the family unit size on the voucher that is issued to the family.

LRHA will apply subsidy standards consistent with the stated gender provided by the tenant. LRHA may make exceptions to this subsidy standard policy where cases of gender identity and other household members are concerned. Exceptions will be made on a case by case basis.

LRHA will assign one bedroom for each two persons within the household, except in the following circumstances:

- Adults of the opposite sex (other than spouses/partners) will not be required to share a bedroom.
- Adults of the same sex (other than spouses/partners) will not be required to share a bedroom.
- Two children of the same sex, who are less than five years apart, share a bedroom.
- Children of the opposite sex do not have to share a bedroom, but may share a bedroom at the family's request
- Live-in aides will be allocated a separate bedroom. No additional bedrooms will be provided for the live-in aide's family.

- Single person families will be allocated one bedroom.
- Unless a live-in aide resides with the family, the family voucher size for any family consisting of a single person must be a one-bedroom voucher (see also [EXCEPTIONS TO THE SUBSIDY STANDARDS](#)).
- A family that consists of a pregnant woman (with no other persons) will be treated as a two-person family; however the family will be provided with a one-bedroom voucher.
- Children related to a household member by birth, adoption, or court-awarded custody will be considered when determining voucher size.
- Foster children will be considered when determining voucher size. The family may add foster children to the household as long as it does not overcrowd the unit based on LRHA's occupancy standards.
- Space may be provided for a family member who is away at school but who lives with the family during school recesses. See policy on [ABSENT STUDENTS](#).
- Children temporarily placed outside the home will be considered when determining the voucher size.
- Children who reside in the unit less than 50 percent of the time will not be considered when determining the voucher size.
- At the discretion of LRHA, a household member may be assigned a separate bedroom if required for a verified reasonable accommodation.

6.3 EXCEPTIONS TO THE SUBSIDY STANDARDS

LRHA will grant exceptions to occupancy guidelines in cases where it is the family's request and LRHA determines the exceptions are justified by the relationships, age, sex, health or disability of family members, or other individual circumstances. LRHA will not grant an exception that is in violation of local housing or occupancy codes, regulations or laws. LRHA may require the head of household's signature acknowledging and agreeing with the approved subsidy standard exceptions.

For a single person who is not elderly, disabled, or a remaining family member, an exception cannot override the regulatory limit of a zero- or one-bedroom voucher.

6.3.1 Processing of Exceptions

All requests for exceptions to the subsidy guidelines must be submitted in writing.

In the case of a request for exception as a reasonable accommodation, LRHA will ask the tenant to make the request in writing using a reasonable accommodation request form. However, LRHA will consider the exception request any time the tenant indicates that an accommodation is needed whether or not a formal written request is submitted.

Requests for a larger voucher size must explain the need or justification for the larger sized unit, and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source (e.g., doctor or health professional), unless the disability and the disability-related request for accommodation is readily apparent or otherwise known. The family's continued need for an additional bedroom due to special medical equipment must be re-verified at annual reexamination.

LRHA will notify the family of its determination in a timely manner. If a family's request is denied, the notice will inform the family of their right to request an informal hearing.

6.4 TEMPORARILY AND PERMANENTLY ABSENT FAMILY MEMBERS

An individual who is or is expected to be absent from the assisted apartment for up to 180 consecutive days is considered temporarily absent and continues to be considered a family member. See policies on [ABSENCE FROM THE UNIT](#) in the chapter on Continued Occupancy.

LRHA will require that temporarily absent family members complete and submit required reexamination documents on a timely basis. An individual who is or is expected to be absent from the assisted apartment for more than 180 consecutive days is considered permanently absent and is no longer a family member. Exceptions to this policy are reviewed on a case-by-case basis. LRHA will require documentation to support the length of the period the family member will be absent from the unit.

If an individual who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill).

6.5 ABSENT STUDENTS

When family member attends school away from home, the person will continue to be considered a family member unless information becomes available to LRHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

6.6 ABSENCES DUE TO PLACEMENT IN FOSTER CARE

Children temporarily (less than 90 consecutive days) absent from the home as a result of placement in foster care are considered members of the family. If a child has been placed in foster care, LRHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member for subsidy standards.

6.7 ABSENT ADULTS DUE TO MILITARY SERVICE

An adult family member absent from the apartment more than 180 consecutive days due active military service will continue to be considered a family member provided that their income is included in the calculation of household income and there is an expected date of return that is within a year of their departure.

6.8 INDIVIDUALS CONFINED FOR MEDICAL REASONS

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member.

LRHA will request verification from a responsible medical professional. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

6.9 RETURN OF PERMANENTLY ABSENT FAMILY MEMBERS

The family must request LRHA approval for the return of any adult family members that LRHA previously determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed in this Administrative Plan.

CHAPTER 7: BRIEFINGS & VOUCHER ISSUANCE

This chapter explains the briefing and voucher issuance process. When a family is determined to be eligible for the Housing Choice Voucher (HCV) program, LRHA will ensure that the family fully understands the way the program operates and the family's obligations under the program. This is accomplished through both an oral briefing and provision of a briefing packet containing written documentation of information the family needs to know. Once the family is fully informed of the program's requirements, LRHA issues the family a voucher. The voucher includes the unit size for which the family qualifies based on LRHA's subsidy standards, as well as the dates of issuance and expiration of the voucher. The voucher is the document that permits the family to begin its search for a unit and limits the amount of time the family has to successfully locate an acceptable unit.

7.1 BRIEFING

The briefing provides a broad description of owner and family responsibilities, explains LRHA's procedures, and includes instructions on how to lease a unit.

LRHA will give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed individually or in groups.

7.1.1 Notification

LRHA will contact families to advise them as to the type of briefing. Notification will identify who is required to participate in the briefing, as well as the date and time of the scheduled briefing. The notice will also inform the family of any additional requirements for briefings as addressed in relevant policy elsewhere in this section.

If a notice is emailed and LRHA receives a notice the email could not be delivered, a notice will be mailed to the household.

If the notice is returned by the post office with no forwarding address, the applicant will be withdrawn and their name will not be placed back on the waiting list. If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated.

Applicants who fail to participate in a scheduled briefing will automatically be scheduled for another briefing. LRHA will notify the family of the date and time of the second scheduled briefing. Applicants who fail to participate in two scheduled briefings without LRHA approval, will be withdrawn from the waiting list. If an applicant does not participate in two scheduled briefings because of a family member's disability, LRHA will reschedule the family for another briefing as a reasonable accommodation.

7.1.2 Briefings

LRHA may conduct in-person or remote briefings. The briefing notice will inform the family of the briefing method and related guidance to ensure meaningful access to the briefing session.

Generally, the head of household is required to participate in the briefing. If the head of household is unable to participate, LRHA may approve another adult family member to participate in the briefing.

Remote briefings may be conducted over the phone, via video conferencing, or through other virtual platforms. If applicants are unable to adequately access the platform used, the briefing may be conducted via another platform. If the briefing must be postponed due to technical issues (including the lack of availability of technology) or if the family loses connectivity or otherwise feels they were unable to access information presented during the briefing, an in-person alternative or one-on-one briefing over the phone may be provided.

LRHA will ensure that:

- All electronic information stored or transmitted as part of the briefing meets the requirements for accessibility for persons with disabilities and persons with LEP, and is secure, including ensuring personally identifiable information (PII) is protected; and
- Families who participate in remote briefings have the opportunity to ask questions as part of the briefing.

7.1.3 Oral Briefing

Each briefing will include information on the following subjects:

- How the HCV program works;
- Family and owner responsibilities;
- Where the family can lease a unit, including renting a unit inside or outside LRHA's jurisdiction;
- An explanation of how portability works;
- An explanation of how portability may affect the family's assistance through screening, subsidy standards, payment standards and any other elements of the portability process which may affect the family's assistance;
- An explanation of the advantages of living in areas that do not have a high concentration of low-income families; and
- For families receiving welfare-to-work: A description of any local obligations of a welfare-to-work family and an explanation that failure to meet the obligations is grounds for denial of admission or termination of assistance.

7.2 BRIEFING PACKET

Documents and information provided in the briefing packet will include the following. This information is provided to the applicant either at the time of formal application or at the Briefing session.

- The term of the voucher, and LRHA's policies on any extensions or suspensions of the term, including how to request an extension to the term of the voucher;
- A description of the method used to calculate the housing assistance payment for a household, including how LRHA determines the payment standard for a household, how LRHA determines total tenant payment for a household, and information on the payment standard and utility allowance schedule, including any exception payment standards;
- An explanation of how LRHA determines the maximum allowable rent for an assisted unit;
- Where the family may lease a unit and an explanation of how portability works;
- The HUD-required tenancy addendum, which must be included in the lease;
- The form the family must use to request approval of tenancy, and a description of the procedure for requesting approval for a tenancy;
- A statement of LRHA policy on providing information about households to prospective owners;
- LRHA's subsidy standards, including when and how exceptions are made;

- Materials on how to select a unit and any additional information on selecting a unit that HUD provides;
- Information on federal, state and local equal opportunity laws and a copy of the housing discrimination complaint form;
- A list of landlords known to LRHA who may be willing to lease a unit to the household or other resources such as newspapers, organization and online search tools, known to LRHA that may assist the family in locating a unit. LRHA will try to ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration;
- Notice that if the household includes a person with disabilities, the household may request a list of available accessible units known to LRHA;
- The family obligations under the program;
- The grounds on which LRHA may terminate assistance for a household because of household action or failure to act;
- LRHA's informal hearing procedures, including when LRHA is required to offer a household the opportunity for an informal hearing, and how to request the hearing;
- An explanation of the advantages of areas that do not have a high concentration of low-income households;
- Maps showing areas with housing opportunities outside areas of poverty or minority concentration, both within its jurisdiction and its neighboring jurisdiction
- A list of portability contact persons for neighboring PHAs, including names, addresses, and telephone numbers; and
- The HUD pamphlet on lead-based paint entitled, *Protect Your Family from Lead in Your Home*.

7.3 BRIEFING FAMILIES WITH SPECIAL NEEDS

In a briefing that includes any person with disabilities, LRHA will take appropriate steps to ensure effective communication and an accessible location.

7.4 VOUCHER ISSUANCE

The voucher is the family's authorization to search for housing. It specifies the unit size for which the family qualifies, and includes both the date of voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The voucher serves as evidence that LRHA has determined the family to be eligible for the program, and that LRHA expects to have money available to subsidize the family if the family finds an approvable unit.

A voucher can be issued to an applicant family only after LRHA has determined that the family is eligible for the program based on information received within the 60 days prior to issuance and after the family has attended a mandatory briefing.

7.4.1 Funding Shortfall

If funds are insufficient to house the family at the top of the waiting list, LRHA will wait until it has adequate funding before issuing additional vouchers. If LRHA determines that there is insufficient funding after a

voucher has been issued, LRHA may rescind the voucher and place the affected family back on the waiting list.

7.5 VOUCHER TERM

The initial voucher term will be 60 calendar days. The family must submit a Request for Tenancy Approval and proposed lease within the 60-day period unless LRHA grants an extension.

7.5.1 Extensions of Voucher Term

Upon written request by the family, LRHA will automatically approve one 30-day extension if the family has been unable to locate housing within the initial 60-day period.

Upon written request by the family, LRHA will issue an extension if necessary as a reasonable accommodation for a person with disabilities or other circumstances beyond the family's control, as determined and approved by LRHA on a case-by-case basis.

Such extensions may only be granted if sufficient documentation is submitted by the family to justify the extension. LRHA will provide written notice when an extension is granted.

Following is a list of extenuating circumstances that the LRHA may consider in making its decision. The presence of these circumstances does not guarantee that an extension will be granted:

- Serious illness or death in the family Other family emergency;
- Obstacles due to employment;
- Whether the family has already submitted requests for tenancy approval that were not approved by the LRHA;
- Whether family size or other special circumstances make it difficult to find a suitable unit;
- Any request for an additional extension must include the reason(s) an additional extension is necessary. The LRHA may require the family to provide documentation to support the request or obtain verification from a qualified third party.

7.5.2 Suspensions of Voucher Term

When a Request for Tenancy Approval (RFTA) is received by LRHA, the term of any initial or extended voucher will be suspended from the date the family submits a request for tenancy approval until the date LRHA notifies the family, in writing, whether the request has been approved or denied.

7.5.3 Expiration of Voucher Term

If an applicant family's voucher term or extension expires before the family has submitted a Request for Tenancy Approval (RFTA), LRHA will require the family to reapply for assistance in accord with LRHA's policies on applying for assistance.

CHAPTER 8: INCOME AND ADJUSTED INCOME

8.1 OVERVIEW

A family's income determines eligibility for assistance and is also used to calculate the family's rent payment. LRHA will use the policies and methods described in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under this policy. Once annual income has been established, LRHA will subtract from annual income deductions for which a family qualifies in order to determine adjusted income.

8.2 ANNUAL INCOME

Annual income is a household's total income from all sources as determined by LRHA. Annual income means all amounts, monetary or not, which:

- Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member;
 - Payments a household receives on a regular basis counts as income. Some examples are: employment, Social Security, welfare and business income.
- Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- Are not specifically excluded under [24 CFR 5.609\(c\)](#), where applicable.
- Annual income also covers amounts derived (during the 12-month period) from assets to which any member of the family has access.

Annual income includes but is not limited to:

- Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by the LRHA. For contributions that may vary from month to month (e.g., utility payments), the LRHA will include an average amount based upon past history.

- The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services. Include employment income of an emancipated minor if the emancipated minor is the head of household, co-head or spouse.
- The net income from operation of a business or profession.
 - Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining the net income from a business. An allowance for the straight line depreciation of assets used in a business or profession may be deducted as provided in IRS regulations.
 - *Business expansion* is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose

of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

- *Capital indebtedness* is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means LRHA will allow as a business expense interest, but not principal, paid on capital indebtedness.
- Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of an assisted family provided an upfront loan of \$2,000 to help a business get started, the LRHA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

- If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.
- If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

To determine business expenses that may be deducted from gross income, the LRHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described below.

- Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for the straight line depreciation of real or personal property is permitted. Withdrawals of cash or assets will not be considered income when used to reimburse the family for cash or assets invested in the property.
 - If the family has net family assets less than \$5,000, annual income shall include the actual income from those assets;
 - If the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate.
- The full amount of **periodic** payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts (see **ANNUAL INCOME EXCLUSIONS** for treatment of delayed or deferred periodic payment of Social Security or Supplemental Security Income benefits);
 - If an HCV family member is a payee for someone who is **not** a member of the HCV family, LRHA will **not** include the payments in the calculation of annual income.
 - If someone outside the HCV family is a payee for one of the HCV family members, LRHA will include the payments in the calculation of annual income.

- Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (see [ANNUAL INCOME EXCLUSIONS](#) concerning treatment of lump-sum additions as family assets);
- All welfare assistance payments (Temporary Assistance to Needy Families and/or General Assistance) received by or on behalf of any family member;
- Imputed welfare income: Such amounts that involve a reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, because of fraud by a family member in connection with the welfare program or because of welfare agency sanction against a family member for non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program shall be included in annual income. This limitation does not apply to the loss of welfare benefits resulting from the expiration of a lifetime limit on benefits or a durational time limit on benefits;
- Periodic and determinable allowances, such as alimony and child support payments, and regular cash and non-cash contributions or gifts received from agencies or persons not residing in the dwelling made to or on behalf of family members;
- All regular pay, special payments and allowances (such as longevity, overseas duty, rental allowances, allowances for dependents, etc.), received by a member of the Armed Forces (whether or not living in the dwelling) who is head of the family, spouse, or other family member whose dependents are residing in the unit.
- As provided in [24 CFR 5.612](#), any financial assistance, in excess of amounts received for tuition and mandatory fees and charges, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance, described in the section on annual income exclusions, is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

8.3 ANNUAL INCOME EXCLUSIONS

Annual income does not include the following:

- Income from the employment of children (including foster children) under the age of 18 years;
- Income from the employment of an emancipated minor if the emancipated minor is not the head of household, co-head or spouse;
- Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the client family, who are unable to live alone);

LRHA will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency [HCV GB, p. 5-18].

- Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance, and worker's compensation), capital gains, one-time lottery winnings, and settlement for personal property losses (see above if the payments are or will be periodic in nature). See section below for treatment of delayed or deferred periodic payments of Social Security or Supplemental Security Income benefits;

- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- Income of a live-in aide, provided the person meets the definition of a live-in aide;
- Any financial assistance received for tuition and mandatory fees and charge. See the section **TREATMENT OF STUDENT FINANCIAL ASSISTANCE** for further information on this income exclusion;
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- Certain amounts received that are related to participation in the following programs:
 - Amounts received under HUD-funded training programs;
 - Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - Amounts received by a client in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) to allow participation in a specific program;
 - Amounts received under a client services stipend. A client services stipend is a modest amount (not to exceed \$200/month) received by a public housing client for performing a service for LRHA, on a part-time basis, that enhances the quality of life in public housing. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, and client initiatives coordination. No client may receive more than one such stipend during the same period of time; and
 - Incremental earnings and/or benefits to any family member from participation in qualifying state or local employment training program (including training programs not affiliated with the local government), and training of family members as client management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for a limited period as determined in advance by LRHA;
- Temporary, non-recurring, or sporadic income (including gifts);

Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.
- Reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of the household and spouse);
 - Unearned income of adult full-time students, such as Social Security, SSI, child support, etc. is included as income.
- Adoption assistance payments in excess of \$480 per adopted child;

- Deferred periodic payments of Supplemental Security Income and Social Security benefits that are received in a lump sum payment;
- Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling apartment;
- Amounts paid by a state agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; and
- Amounts specifically excluded by any other federal Statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A notice will be published by HUD in the Federal Register identifying the benefits that qualify for this exclusion. A list of these federally mandated exclusions are included in [FEDERALLY MANDATED EXCLUSIONS FROM INCOME](#).

8.4 ANTICIPATING ANNUAL INCOME

LRHA will calculate anticipated annual income by adding the income the family expects to receive during the 12-month period following the family's admission or regular reexamination effective date. Accordingly, annual income is calculated by projecting current income forward for a 12-month period.

8.5 KNOWN CHANGES IN INCOME

If LRHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases LRHA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs.

8.6 INCOME OF TEMPORARILY ABSENT FAMILY MEMBERS

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit. See policies on [TEMPORARILY AND PERMANENTLY ABSENT FAMILY MEMBERS](#) for definition of *Temporarily Absent*.

8.7 SEASONAL INCOME

People in some occupations regularly work less than 12 months per year, i.e., school employees, agricultural workers and construction workers. To determine annual income for individuals who have seasonal income, LRHA will use past actual income received or earned within the last 12 months of the determination date. Therefore, interim reexaminations will not be completed when circumstances change.

8.8 INCOME OF FOSTER CHILDREN AND FOSTER ADULTS

- Earned income of foster children is excluded from annual income.
- Earned income of foster adults is included in annual income.
- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone) are excluded from annual income only if the care is provided through an official arrangement with a local welfare agency.

- All other income received on behalf of a foster child or a foster adult is included in annual income. For example, if a foster adult receives Supplemental Security Income payments those payments are included in annual income.

8.9 EARNED INCOME OF FULL-TIME STUDENTS

Earnings in excess of \$480 for each full-time student 18 years old or older (except for the head, spouse, or co-head) are not counted. To be considered full-time, a student must be considered full-time by an educational institution with a degree or certificate program.

8.10 EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES

The earned income disallowance (EID) is designed to promote self-sufficiency for families with disabilities in the HCV program who meet the definition of a *qualified family*.

8.10.1 Eligibility

This disallowance applies only to individuals in families already participating in the HCV program and therefore does not apply for purposes of admission.

A qualified individual is an individual who is participating in the HCV program and experiences an increase in annual income due to **one** of the following:

- Employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.
- Increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work to such families.
- New employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance—provided that the total amount over a six-month period is at least \$500.

8.10.2 Disallowance of Increase in Annual Income

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

24-Month Exclusion

During the 24-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, LRHA will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

Maximum Two-Year Disallowance

The disallowance of increased income of an individual family member who is an eligible person with disabilities is limited to a lifetime 24-month period. The disallowance applies for a maximum of 24 months for the 100% disallowance.

Example of How the EID Works

Time Frame	EID Under this Regulation
January 2017 (month one)	<ul style="list-style-type: none">• Carl begins working and is eligible for EID.• 100% of Carl's increase in earned income is excluded
July 2017 (month seven)	<ul style="list-style-type: none">• Carl is laid off.• EID "clock" continues to run.
February 2018 (month 14)	<ul style="list-style-type: none">• Carl begins working again.• 100% of the increase in earned income due to Carl's employment is excluded.
December 2018 (month 24)	<ul style="list-style-type: none">• This is the final month during which Carl receives his EID benefit.

8.11 TREATMENT OF STUDENT FINANCIAL ASSISTANCE

LRHA will include amounts of financial assistance an individual receives in excess of tuition and other required fees and charges when determining annual income. LRHA will verify tuition and fees according to its verification policies.

The Department of Education defines tuition as the amount of money charged to students for instructional services which may be charged per term, per course, or per credit. These values represent what a typical student would be charged and may not be the same for all students at an institution.

If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an entire academic year is used to estimate average tuition.

Required fees include all fixed sum charges that are required of a large proportion of all students. The student who does not pay the charges is an exception. Examples of required fees include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program).

Expenses related to attending an institution of higher education must not be included as tuition. Examples of these expenses include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed sum charges.

Example

Kim, a 22 year old, married, participant in an HCV program is enrolled in a nursing program at her local community college. She is receiving \$7,000 in financial assistance to cover the full cost of tuition and fees of \$6,000 for the academic year. The \$6,000 includes:

\$2,500 in tuition per semester (total \$5,000) plus \$500 in individual fees (total \$1,000)—athletic fee, writing laboratory fee, student center fee, science laboratory fee, technology fee—charged to every student per semester.

In this example, the excess \$1,000 (\$7,000 - \$6,000) Kim received in financial assistance will be included in her annual income in accordance with 24 CFR 5.609(b)(9).

8.11.1 Student Financial Assistance Included in Annual Income

The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:

- They are enrolled in an institution of higher education, as defined in [20 USC § 1001](#) and [1002](#)
- They are seeking or receiving Section 8 assistance on their own—that is, apart from their parents—through the HCV program, the project-based certificate program, the project-based voucher program, or the moderate rehabilitation program.
- They are under 24 years of age OR they have no dependent children.

For students who satisfy these three conditions, any financial assistance in excess of tuition, and other required fees received: (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined in [20 USC § 1001](#) and [1002](#), must be included in annual income.

To determine annual income in accordance with the above requirements LRHA will use the definitions of dependent child, institution of higher education, and parents in this Plan along with the following definitions

- Assistance under the Higher Education Act of 1965 includes Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs.
- Assistance from private sources means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit.

8.11.2 Student Financial Assistance Excluded from Annual Income

Any student financial assistance not subject to inclusion under 24 CFR 5.609(b)(9) is fully excluded from annual income under 24 CFR 5.609(c)(6), whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by:

- Students residing with parents who are seeking or receiving Section 8 assistance
- Students who are enrolled in an educational institution that does not meet the 1965 HEA definition of institution of higher education
- Students who are over 23 AND have at least one dependent child, as defined in this Plan;
- Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA.

8.12 ASSET INCOME

There are two terms that are important in calculating asset income: market value and cash value.

Market value is the face value of an asset, its worth in the market (i.e., the amount a buyer would pay for real estate or the total value of an investment account).

The *cash value* of an asset is the market value less reasonable expenses that would be incurred in selling or converting the asset to cash, such as the following:

- Penalties for premature withdrawal;
- Broker and legal fees; and
- Settlement costs for real estate transactions.

8.12.1 General Calculation of Asset Income

When net family assets are **\$5,000 or less**, LRHA will include in annual income the actual income anticipated to be derived from the assets.

When the family has net family assets are **in excess of \$5,000**, LRHA will include in annual income the greater of:

- The actual income derived from the assets, or
- The imputed income.

Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by LRHA.

8.12.2 Passbook Savings Rate

LRHA will initially set the imputed asset passbook rate at the national rate established by the Federal Deposit Insurance Corporation (FDIC). LRHA will review the passbook rate annually, in November of each year. The rate will not be adjusted unless the current LRHA rate is no longer within 0.75 percent of the national rate. If it is no longer within 0.75 percent of the national rate, the passbook rate will be set at the current national rate.

8.12.3 Jointly Owned Assets

If an asset is owned by more than one person and any family member has unrestricted access to the asset, the LRHA will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, the LRHA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, the LRHA will prorate the asset evenly among all owners.

8.12.4 Assets Disposed of for Less than Fair Market Value

LRHA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$1,000.

8.13 ADJUSTED INCOME

Adjusted income is calculated by subtracting allowable deductions and allowances from annual income.

8.14 DEDUCTIONS

In determining adjusted income, LRHA will deduct the following amounts from annual income:

- \$480 for each dependent;

- \$400 for any elderly family or disabled family;
- The sum of the following, to the extent the sum exceeds three percent of annual income:
 - Unreimbursed medical expenses of any elderly family or disabled family;
 - Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- Any reasonable child care expenses necessary to enable a member of the family to be employed, to actively seek employment, or to further his or her education.

8.14.1 Dependent Deduction

An allowance of \$480 is deducted from annual income for each dependent, which is defined as any family member other than the head, spouse, or co-head who is:

- Under the age of 18,
- 18 or older and is a person with disabilities, or
- 18 or older and a full-time student.

Foster children, foster adults, and live-in aides are never considered dependents.

8.14.2 Elderly or Disabled Family Deduction

Single deduction of \$400 is taken for any elderly or disabled family. An *elderly family* is a family whose head, spouse, co-head, or sole member is 62 years of age or older. A *disabled family* is a family whose head, spouse, co-head, or sole member is a person with disabilities.

8.14.3 Medical Expenses Deduction

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income.

The medical expense deduction is permitted only for families in which the head, spouse, or co-head is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted.

HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean “medical expenses, including Medical expenses include medical insurance premiums and medical expenses that are anticipated during the period for which annual income is computed, and that are not covered by insurance”.

The most current IRS Publication 502, *Medical and Dental Expenses*, will be used as a reference to determine the costs that qualify as medical expenses. Over-the-counter products will not be eligible for deductions as medical expenses unless they are accompanied by a doctor’s prescription.

Summary of Allowable Medical Expenses from IRS Publication 502	
• Services of medical professionals	• Substance abuse treatment programs

Summary of Allowable Medical Expenses from IRS Publication 502	
<ul style="list-style-type: none"> • Surgery and medical procedures that are necessary, legal, non-cosmetic • Services of medical facilities • Hospitalization, long-term care, and in-home nursing services • Prescription medicines and insulin, but not nonprescription medicines even if recommended by a doctor • Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails) 	<ul style="list-style-type: none"> • Psychiatric treatment • Ambulance services and some costs of transportation related to medical expenses • The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth) • Cost and continuing care of necessary service animals • Medical insurance premiums or the cost of a health maintenance organization (HMO)
<p>Note: This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.</p>	

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the LRHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

8.14.4 Disability Assistance Expenses Deduction

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they:

- Are necessary to enable a family member 18 years or older to work;
- Are not paid to a family member or reimbursed by an outside source;
- In combination with any medical expenses, exceed three percent of annual income; and
- Do not exceed the earned income received by the family member who is enabled to work.

Earned Income Limit on the Disability Assistance Expense Deduction

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work.

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

The family must identify the family member enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, LRHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When LRHA determines that the disability assistance expenses enable more than one family member to work, the disability assistance expenses will be capped by the sum of the family members’ incomes.

Eligible Disability Expenses

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (i.e., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

Eligible Attendant Care

The family identifies and LRHA verifies the type of attendant care that is appropriate for the person with disabilities. Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the LRHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Disability Expense Payments to Family Members

No disability expenses may be deducted for payments to a member of a client family. However, expenses paid to a relative who is not a member of the client family may be deducted if they are not reimbursed by an outside source.

Necessary and Reasonable Expenses

The family identifies and LRHA verifies the type of care or auxiliary apparatus to be provided. The family must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

8.14.5 Child Care Expense Deduction

HUD defines *child care expenses* at 24 CFR 5.603(b) as “amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”

Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household. However, child care expenses for foster children that are living in the assisted family's household, are included when determining the family's child care expenses.

Determining Who Is Enabled to Pursue an Eligible Activity

The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family's request, LRHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

Seeking Work

If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the child care expense being claimed.

Furthering Education

If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

Being Gainfully Employed

If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

Earned Income Limit on Child Care Expense Deduction

When a family member looks for work or furthers his or her education, there is no limit on the amount that may be deducted for child care, although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by the amount of employment income that is included in annual income. The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person's earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, child care expenses are limited to \$5,000.

When the child care expense being claimed is to enable a family member to work, only one family member's income will be considered at a time.

Eligible Child Care Expenses

The type of care to be provided is determined by the client family. LRHA will not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care.

Allowable Child Care Activities

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (i.e., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, the LRHA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

Necessary and Reasonable Costs

Child care expenses will be considered necessary if:

- A family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and
- The family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time.

To establish the reasonableness of child care costs, LRHA will use the schedule of child care costs from the local welfare agency. Families may present, and LRHA will consider, justification for costs that exceed typical costs in the area.

8.15 ROUNDING OF INCOME AND DEDUCTIONS

Generally LRHA will round to the nearest whole dollar at the annual calculation for each income/deduction source.

LRHA will round as follows for the following income and deductions:

- **Social Security (SS) income:** When the SS benefit letter states that the monthly benefit is rounded down to the whole dollar, LRHA will calculate annual income by using the full monthly (not rounded down) benefit before any deductions and round at the final annual calculation. The benefit letter is only to be used when EIV is not available or the tenant disputes EIV.
- **Supplemental Security Income (SSI):** The benefit for SSI should be calculated by annualizing the total monthly portion. The resulting annual total should be rounded to the nearest whole dollar.
- **Applying the COLA to SS and SSI:** When the EIV report does not yet contain the benefit for the upcoming year and where LRHA is required to apply the COLA for the upcoming year, LRHA will apply the COLA to the currently monthly benefit and will use the full monthly benefit to calculate income. For example, if the current SS benefit is \$560/month and the COLA is 1.7%, LRHA would increase the monthly benefit of \$560/month benefit by 1.7% to \$569.52 and would then multiply \$569.52 times 12 to get the annual income. The rounding would occur at the annual calculation of \$6,834.

CHAPTER 9: FAMILY SHARE AND SUBSIDY

9.1 OVERVIEW

The accurate calculation of annual income and adjusted income will ensure that families are paying the correct amount of rent pursuant to applicable regulations.

9.2 TOTAL TENANT PAYMENT

TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income,
- 10 percent of the family's monthly gross income,
- The minimum rent established by LRHA.

The amount that a family pays for rent and utilities (the family share) will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

9.2.1 TTP for Mixed Families

A *mixed household* is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible household members. LRHA will prorate the assistance provided to a mixed household. LRHA will first determine assistance as if all household members were eligible and then prorate the assistance according to the regulatory requirement at 24 CFR 5.520.

9.3 MINIMUM RENT

LRHA has established a minimum rent of \$50 per month.

9.4 MINIMUM RENT HARDSHIP EXEMPTION

LRHA will grant an exemption from the minimum rent if a household can document that they are unable to pay the minimum rent because of a long term hardship (over 90 days). **The minimum rent financial hardship exemption applies only to families required to pay the minimum rent.** If a household's TTP is higher than the minimum rent, the household is not eligible for a minimum rent hardship exemption.

Situations under which households would qualify for the hardship exemption from minimum rent are limited to the following:

- The household has lost eligibility for or is applying for an eligibility determination for a federal, state or local assistance program;
- The household would be evicted as result of the imposition of the minimum rent requirements;

For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent to the owner or tenant-paid utilities.

- The income of the household has decreased because of changed circumstances, including loss of employment; or

- A death in the household has occurred. In order to qualify under this provision, a household must describe how the death has created a financial hardship (i.e., because of funeral-related expenses or the loss of the household member's income).

Requests for an exemption from the minimum rent must be submitted in writing to LRHA. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent. This written request must be accompanied by the following:

- A complete listing of all household members' current income and their sources.
- A completed Affidavit of Zero Income form listing all the household members' current financial obligations and routine expenditures.

9.4.1 Determination of Hardship

When a family requests a financial hardship exemption, LRHA will suspend the minimum rent requirement beginning the first of the month following the family's request. LRHA will determine whether the financial hardship exists and whether the hardship is temporary (expected to last 90 days or less) or long-term.

LRHA defines *temporary hardship* as a hardship expected to last 90 days or less. *Long-term hardship* is defined as a hardship expected to last more than 90 days.

9.4.2 No Financial Hardship

If LRHA determines there is no financial hardship, LRHA will reinstate the minimum rent and require the family to repay the amounts suspended.

LRHA will require the family to repay the suspended amount within 30 calendar days of LRHA's notice that a hardship exemption has not been granted.

9.4.3 Temporary Hardship

If LRHA determines that a qualifying financial hardship is temporary, LRHA will suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption.

At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay LRHA the amounts suspended. LRHA may enter into a repayment agreement in accordance with the procedures found in the section on [REPAYMENT AGREEMENTS](#). LRHA may determine that circumstances have changed and that the hardship is long-term hardship.

9.4.4 Long-Term Hardship

If LRHA determines that the financial hardship is long-term, LRHA will exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

At each annual reexamination, the family's eligibility for financial hardship exemption will be reviewed.

The hardship period ends when any of the following circumstances apply:

1. At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.

2. For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.
3. For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

9.5 FAMILY SHARE

The family share is the family's contribution toward the gross rent.

For a family selecting a unit where the gross rent is at or below the payment standard for the family, the family share will be the same as the TTP.

For a family selecting a unit where the gross rent exceeds the payment standard for the family, the family share is the TTP plus any amount by which the gross rent exceeds the payment standard.

- At initial occupancy and upon transfer to a new unit, LRHA will not approve the tenancy if the gross rent is above the payment standard resulting in a family share that exceeds the maximum initial rent burden, which is 40 percent of adjusted monthly income, even if the rent is reasonable.
- LRHA may approve a unit if the gross rent is above the payment standard, but does not result in a tenant portion that exceeds the 40 percent of monthly adjusted income.

9.6 LRHA SUBSIDY

LRHA will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of:

- The applicable payment standard for the family minus the family's TTP, or
- The gross rent for the family's unit minus the TTP.

9.7 UTILITY REIMBURSEMENT

If the amount of the utility allowance exceeds the total tenant payment, LRHA may pay the amount of such excess to either to the family or directly to the utility provider, and may change whether the payment is made to the family or to the utility provider at LRHA's discretion. The LRHA will issue all utility reimbursements monthly.

CHAPTER 10: VERIFICATION

10.1 OVERVIEW

LRHA verifies all information that is used to establish the family's eligibility and level of assistance. Applicants and residents must cooperate with the verification process as a condition of receiving assistance.

10.2 FAMILY CONSENT TO RELEASE OF INFORMATION

The family must supply any information that LRHA or HUD determines is necessary for the administration of the program and must consent to verification of that information by LRHA.

It is required that all adult applicants and residents sign form HUD-9886, Authorization for Release of Information, any other HUD-required form, and other forms required by LRHA as part of the application process and as part of the re-certification process. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and to provide the family's consent only for the specific purposes listed on the form.

If any family member who is required to sign a consent form fails to do so, LRHA will deny admission to applicants or terminate the lease of participants. The family may request a hearing in accordance with LRHA's grievance procedures.

10.3 OVERVIEW OF VERIFICATION REQUIREMENTS

The following are LRHA's general verification requirements:

- Any documents submitted for verification must be the original (not photocopies) and generally must be dated within 60 calendar days of the date they are provided to LRHA.
- Generally, documents submitted for verification will remain valid for 120 calendar days from the date of receipt.
 - If 120 or more days have elapsed since the verification information was received by LRHA **for any reexamination** and the 50058 is not yet validated, LRHA will request updated income information from the household, including but not limited to, current pay stubs and benefits letters. If the difference between the updated income information and the previously calculated information is greater than \$200 per month, LRHA will recalculate income and TTP using the updated family-provided income. If the difference is less than \$200 per month, no changes will be made. If the family cannot provide updated documentation of income, LRHA will follow the hierarchy of verification and attempt to receive updated verification from the third-party source.
 - Criminal history reports will be valid for one year.
- The documents must not be altered or in any way illegible. LRHA may reject any family-provided documentation if:
 - The document is not an original; or
 - The original document has been altered, mutilated, or is not legible; or
 - The document appears to be a forged document (i.e., does not appear to be authentic).
- Print-outs from web pages may be considered original documents.

- The cost of verification will not be passed on to the household.
- Any family self-certifications must be made in a format acceptable to LRHA.
- The LRHA staff member who views the original document must make a photocopy and date stamp the copy with the date the document was received.
- Unless otherwise stated, LRHA will accept documents dated more than six months before the date of the applicant's eligibility review or the resident's reexamination if the document represents the most recent scheduled report from a source. For example, if the holder of a pension annuity provides annual reports, LRHA would accept the most recent report. However, because a Social Security benefit letter may be obtained more than once per year, LRHA will not accept a benefit letter that is more than 60 calendar days old.

10.4 VERIFICATION HIERARCHY

LRHA will use the most reliable form of verification that is available. In order of priority, the forms of verification that LRHA will use are:

- Upfront income verification (UIV) using HUD's Enterprise Income Verification (EIV) system and the Income Validation Tool (IVT);
- UIV using a non-HUD system;
- Written third-party verification (may be provided by applicant or resident);
- Written third-party verification form;
- Oral third-party verification;
- Self-certification.

10.5 ENTERPRISE INCOME VERIFICATION (EIV) SYSTEM

LRHA will use HUD's EIV system as a third-party source to validate resident employment and verify certain income information during regular and interim reexaminations of family composition and income. The following policies apply to the use of HUD's EIV system.

10.5.1 Income Validation Tool (IVT)

The IVT report facilitates and enhances identification of unreported or under-reported income during interim and regular reexaminations. The IVT also provides income and wage, unemployment compensation and SSA benefit information. Additionally, the IVT report provides income information for heads of household and family members where there may be discrepancies in family reported income and employer reported information.

At each regular and interim reexamination of income and family composition LRHA will:

- Review the EIV Income and IVT reports to confirm/validate tenant-reported income;
- Print and maintain the EIV Income and IVT Reports in the tenant file;

- Obtain current acceptable tenant-provided documentation to supplement EIV information (where applicable); and
- Use current family-provided documentation and/or third-party verification to calculate annual income.

Additionally, at each regular and interim reexamination of income and family composition, using the IVT, LRHA will:

- Identify any reported discrepancies in family reported income and employer reported information;
- Request the family to provide any documentation to confirm or dispute the income discrepancy;
- As applicable, determine the degree of family underreporting or misreporting of income information; and
- Take action in accordance with LRHA policy to resolve the identified discrepancies.

10.5.2 EIV Income Reports

The data shown on income reports is updated quarterly. However, data may be between three and six months old at the time reports are generated.

EIV reports will be compared to family-provided information as part of the regular and interim reexamination process. EIV reports may be used in the calculation of annual income, as described in the chapter on **INCOME AND ADJUSTED INCOME**.

EIV reports will be used as necessary to identify earned income and unemployment benefits, and to verify and calculate Social Security, Dual Entitlement, and/or Supplemental Security Income (SSI) benefits. EIV will also be used to verify that families claiming zero income are not receiving income from any of these sources.

New Admission

For each new admission, LRHA will review the EIV Income and IVT Reports within 120 days from the first PIC submission date to ensure that families, at the time of admission, accurately reported income. LRHA will print and retain the reports and will take action to address any income discrepancies within 60 days from running the EIV income report.

Historical Adjustment

For each historical adjustment, LRHA will run the EIV Income and IVT Reports within 120 days from the PIC submission date to ensure that families accurately reported income. LRHA will print and retain the reports and will take action to address any income discrepancies within 60 days from running the EIV/IVT reports.

Interim Reexamination of Family Income and Composition

For each interim reexamination of family income and composition, LRHA will review the EIV Income and IVT Reports to ensure that families accurately reported income. LRHA will print and retain the reports and will follow up with the family and resolve the differences between reported information using the HUD hierarchy of verification.

Regular Reexamination of Family Income and Composition

For each regular reexamination of family income and composition, LRHA will review and retain in the tenant file the EIV Income and IVT Reports and any applicable documentation to resolve identified income discrepancies.

Income reports will be retained in resident files with the applicable annual or interim reexamination documents. When LRHA determines through EIV reports and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies this Administrative Plan.

10.5.3 EIV Identity Verification

The EIV system verifies resident identities against Social Security Administration (SSA) records. These records are compared to Public and Indian Housing Information Center (PIC) data for a match on Social Security number, name, and date of birth. When identity verification for a resident fails, a message will be displayed within the EIV system and no income information will be displayed.

LRHA will identify residents whose identity verification has failed. LRHA will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the resident. When LRHA determines that discrepancies exist as a result of errors by LRHA, such as spelling errors or incorrect birth dates, LRHA will correct the errors.

10.6 UPFRONT INCOME VERIFICATION (UIV)

UIV refers to LRHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to LRHA.

10.7 THIRD-PARTY WRITTEN VERIFICATION

Written third-party verification is an original or authentic document generated by a third-party source dated within 60 days of the LRHA request date. Such documentation may be in the possession of the resident or the applicant. LRHA may, at its discretion, reject any family-provided documents and follow up directly with the source to obtain necessary verification of information.

Examples of acceptable family-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

10.8 WRITTEN THIRD-PARTY VERIFICATION FORM

When upfront verification is not available and the family is unable to provide written third-party documents, or the documents provided by the family are rejected by LRHA, LRHA will request a written third-party verification form. LRHA may mail, fax, or e-mail third-party written verification form requests to third-party sources.

10.9 ORAL THIRD-PARTY VERIFICATION

Oral third-party verification is mandatory if no form of written third-party verification is available. It may be used when requests for written third-party verification forms have not been returned within seven (7) business days. LRHA will document oral verification attempts in the resident file.

10.10 WHEN THIRD-PARTY VERIFICATION IS NOT REQUIRED

Third-party verification will not be required under the following circumstances:

- **Verification Service Charge.** If there is a service charge for third-party verification, LRHA will assume that third-party verification is not available and use the next level of verification according to the verification hierarchy set forth in this chapter.
- **Primary Documents.** Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.
- **Assets Disposed of for Less than Fair Market Value.** LRHA will accept a self-certification from the family as verification of assets disposed of for less than fair market value.
- **Value of Assets and Asset Income.** LRHA will accept a self-certification for families with net assets totaling \$5,000 or less. However, LRHA will obtain third-party verification of all assets regardless of the amount during the intake process and at least every three years thereafter.

10.11 SELF-CERTIFICATION

Self-certification, or “participant declaration,” is used as a last resort when LRHA is unable to obtain third-party verification. When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to LRHA. LRHA will document the file with attempts to obtain higher forms of verification before relying on self-certification.

LRHA may require a family to certify that a family member does **not** receive a particular type of income or benefit.

The self-certification must be made in a format acceptable LRHA and must be signed by the family member whose information or status is being verified.

Self-certification, however, is an acceptable form of verification when:

- A source of income is fully excluded;
- Net family assets total \$5,000 or less and LRHA has adopted a policy to accept self-certification at annual reexamination, when applicable.

Self-certification is not acceptable for the following:

- Social Security/SSI benefits,
- Public assistance,
- Disability (unless obvious or otherwise known, for reasonable accommodation purposes only),
- Unemployment,
- Veteran’s Administration pension,
- Court-ordered child support,
- Worker’s compensation,
- Unreimbursed medical expenses,

- Full-time student status.

10.12 RESPONSE TO VERIFICATION REQUEST

Families are required to respond to requests by LRHA for verification of family, income and/or expense information. Families will be provided with seven (7) business days to respond to LRHA requests for information. Exceptions may be granted on a case-by-case basis.

10.13 SUBSTANTIAL DIFFERENCE

If UIV/third-party information differs substantially from family-provided information, LRHA reserves the right to request additional verification information and use any other verification method in priority order to reconcile the difference. LRHA will use the \$200 per month as the threshold for a *substantial difference*.

10.14 FRAUD

Information provided by the family that proves to be untrue may be used to disqualify the applicant for admission or terminate the participant's assistance on the basis of attempted fraud. LRHA considers false information concerning the following to be grounds for rejecting an applicant or terminating assistance:

- Income, assets, family composition;
- Social Security numbers;
- Preferences;
- Allowances (e.g., medical, disability and/or child care expenses) ; and
- Previous participant history or criminal history.

The family shall be notified in writing of such determination by LRHA and will be given the opportunity for a grievance hearing.

10.15 LEGAL IDENTITY VERIFICATION

LRHA will require families to furnish verification of legal identity for each household member.

Verification of Legal Identity for Adults	Verification of Legal Identity for Children
<ul style="list-style-type: none"> • Certificate of birth, naturalization papers, • Church-issued baptismal certificate • Current, valid driver's license or Department of Motor Vehicles identification card • U.S. military discharge (DD 214) • Current U.S. passport • Current employer identification card 	<ul style="list-style-type: none"> • Certificate of birth • Adoption papers • Custody agreement • Health and Human Services ID • Certified school records

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

If none of these documents can be provided and at the LRHA's discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to the LRHA.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the LRHA has reason to doubt the identity of a person representing him or herself to be a participant.

10.16 SOCIAL SECURITY NUMBER VERIFICATION

The family must provide documentation of a valid Social Security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions also include existing program participants who were at least 62 years of age as of January 31, 2010, and had not previously disclosed an SSN.

10.16.1 Documents Used to Verify Social Security Numbers

Social Security numbers must be verified only once during continuously-assisted occupancy, unless LRHA has received conflicting information concerning a household member's SSN. LRHA will verify each disclosed SSN by:

- Obtaining documentation from applicants and participants that is acceptable as evidence of Social Security numbers, and
- Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder.

LRHA will accept the following documentation as acceptable evidence of the Social Security number:

- An original SSN card issued by the Social Security Administration (SSA);
- An original SSA-issued document, which contains the name and SSN of the individual;
- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual, along with other identifying information of the individual;
- Such other evidence of the SSN as HUD may prescribe in administrative instructions.

LRHA may reject documentation of an SSN provided by an applicant or participant if the document is not an original document, if the original document has been altered, mutilated, or is not legible, or if the document appears to be forged.

10.16.2 Adding a Family Member who is a Child Under Six Who Lack a Social Security Number

When a participant requests to add a new household member who is at least 6 years of age, the participant must provide the complete and accurate SSN assigned to each new member at the time of reexamination or reexamination, in addition to the documentation required to verify it. LRHA may not add the new household member until such documentation is provided.

When a participant requests to add a new household member who is under the age of 6 and has not yet been assigned an SSN, the participant must provide the SSN assigned to the new child and the required documentation within 90 calendar days of the child being added to the household. If the family is unable to disclose and provide evidence of the SSN within 90 calendar days, LRHA may grant the family an additional 90-day period to comply with the SSN disclosure and documentation requirement, if LRHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control. During the period LRHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household and will be entitled to all of the benefits of being a household member during the

time allotted for the family to comply with the SSN disclosure and documentation requirements. Upon expiration of the time period, if the family has not complied with the SSN disclosure and documentation requirements, LRHA will terminate the family's assistance.

10.17 DOCUMENTATION OF AGE

If an official record of birth or evidence of Social Security retirement benefits cannot be provided, LRHA will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

10.18 VERIFICATION OF FAMILY RELATIONSHIPS

10.18.1 Marriage

Certification by the head of household is normally sufficient verification of marriage. If LRHA has reasonable doubts about a marital relationship, LRHA will require the family to document the marriage.

10.18.2 Separation or Divorce

LRHA may require the family to provide documentation of the divorce or separation with a certified copy of a divorce decree, signed by a court officer; a copy of a court-ordered maintenance or other court record; or other documentation that shows a couple is divorced or separated.

10.18.3 Absence of Adult Member

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides, such as a lease or utility bill).

10.18.4 Foster Children and Foster Adults

Third-party verification from the state or local government agency responsible for the placement of the foster child or foster adult with the family is required.

10.19 STUDENT STATUS VERIFICATION

LRHA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

- The family claims full-time student status for an adult other than the head, spouse, or co-head;
- The family claims a child care deduction to enable a family member to further his or her education; or
- The family includes a student enrolled in an *institution of higher education*. See **STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION**.

10.19.1 Verification of Restrictions on Assistance to Students

This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

In accordance with the verification hierarchy LRHA will determine whether the student is exempt from the restrictions in 24 CFR 5.612 by verifying any one of the following exemption criteria:

- The student is enrolled at an educational institution that does not meet the definition of institution of higher education in the Higher Education Act of 1965;
- The student is at least 24 years old;
- The student is a veteran;
- The student is married;
- The student has at least one dependent child;
- The student is a person with disabilities and was receiving assistance prior to November 30, 2005.

If LRHA cannot verify at least one of these exemption criteria, LRHA will conclude that the student is subject to the restrictions on assistance at 24 CFR 5.612. In addition to verifying the student's income eligibility, LRHA will verify either the student's parents' income eligibility or the student's independence from his/her parents.

10.19.2 Verifying Student Independence and Parental Income of Students Subject to Eligibility Restrictions

LRHA is required to determine the income eligibility of a student's parents. LRHA will request an income declaration and certification of income from the appropriate parent(s). LRHA will send the request directly to the parents, who will be required to certify to their income under penalty of perjury. Certification is also required if the parent is providing no support to the student. Financial assistance that is provided by persons not living in the unit is part of annual income (except if the student meets the Department of Education's definition of *independent student*).

The parents will be required to submit the information directly to LRHA. LRHA reserves the right to request and review supporting documentation at any time if it questions the declaration or certification.

Supporting documentation may include, but is not limited to, Internal Revenue Service tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, benefit award letters, and other official and authentic documents from a federal, state, or local agency.

10.19.3 Verification of Student Financial Assistance and Fees

LRHA will verify the amounts of student financial assistance by requesting student financial award documents or through written third-party verification sent to the entity providing the financial assistance.

LRHA will verify the amounts of tuition and required fees charged by the school when determining annual income. LRHA will verify those amounts using the student's bill or account statement (including an online account statement) as provided by the school's bursar's office, or by contacting the bursar's office directly. LRHA may also visit the school's website as many institutions of higher education provide an itemized list covering tuition and fees that are charged to a majority of their students on their websites.

If LRHA is unable to obtain third-party written verification of the requested information, LRHA will pursue other forms of verification following the verification hierarchy.

10.20 VERIFICATION OF DISABILITY

LRHA will verify the existence of a disability in order to determine waiting list preferences and in order to allow certain income disallowances and deductions from income.

For family members claiming disability who receive disability benefits from the SSA, LRHA will attempt to obtain information about disability benefits through the HUD Enterprise Income Verification (EIV) system.

If documentation from HUD's EIV System is not available, LRHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status.

For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition of disability.

10.21 VERIFICATION OF U.S. CITIZENSHIP AND OF ELIGIBLE IMMIGRATION STATUS

HUD requires a declaration for each family member who claims to be a U.S. citizen or national or to have eligible immigration status. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless LRHA receives information indicating that an individual's declaration may not be accurate.

The documentation required for eligible non-citizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance.

For family members age 62 or older who claim to be eligible immigrants, proof of age is required; however, no further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, LRHA will verify immigration status with the U.S. Citizenship and Immigration Services (USCIS). LRHA will follow all USCIS protocols for verification of eligible immigration status.

10.22 VERIFICATION OF PREFERENCE STATUS

The LRHA will assist any family that has been terminated from its HCV program due to insufficient program funding before any other waiting list family. The LRHA will verify this preference using the LRHA's termination records.

For local preferences, LRHA will follow the verification requirements as indicated in [VERIFICATION OF LOCAL PREFERENCES](#).

10.23 VERIFICATION OF INCOME

LRHA will verify income using applicable regulatory, and agency policies and procedures.

10.23.1 Employment Income

For verification of wages using pay-stubs (written third-party verification), LRHA requires three consecutive pay stubs, regardless of pay frequency. The pay stubs must be consecutive.

10.23.2 Business and Self-Employment Income

Business owners and self-employed persons will be required to provide one or more of the following:

- An audited financial statement for the previous fiscal year if an audit was conducted.
- If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.

- All IRS schedules completed for filing federal and local taxes in the preceding year. If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.

The LRHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination the LRHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed for less than three months, LRHA will accept the family member's certified estimate of income and schedule an interim reexamination in three months.

If the family member has been self-employed for only three to twelve months, LRHA will require the family to provide documentation of income and expenses for this period and use that information to project income.

Net Income from Rental Property

If the family reports income from rental property, the family must provide:

- A current executed lease for the property that shows the rental amount or certification from the current tenant; and
- A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If Schedule E was not prepared, LRHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

10.23.3 Verification of Social Security and SSI Benefits

To verify the Social Security and SSI benefits of applicants, LRHA will request a current (dated within the last 60 days) Social Security Administration (SSA) benefit verification letter from each family member that receives Social Security benefits. If the family is unable to provide the document(s), LRHA will help the applicant request a benefit verification letter from SSA's website at www.ssa.gov or ask the family to request one from the SSA.

To verify the SS/SSI benefits of participants, LRHA will obtain information about Social Security/SSI benefits through the HUD EIV System, and confirm with the participant(s) that the current listed benefit amount is correct. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, LRHA will request a current SSA benefit verification letter from each family member that receives SSA benefits. If the family is unable to provide the document(s) LRHA will help the participant request a benefit verification letter from SSA's website at www.ssa.gov or ask the family to request one from the SSA.

10.23.4 Alimony or Child Support

The methods LRHA will use to verify alimony and child support payments will differ depending on whether the family declares that it receives regular payments. If the family declares that it **receives irregular or no payments**, LRHA will verify payments using a disbursement history provided by the child support enforcement agency. If the family declares that payments are **regular**, LRHA will use one or more of the following:

- Copies of the receipts and/or payment stubs for the 60 days prior to the LRHA request;
- Third-party verification form from the state or local child support enforcement agency;
- Third-party verification form from the person paying the support;
- Family's self-certification of amount received.

If there are minors in the household and both parents and/or legal guardians do not reside in the unit, LRHA will request third-party verification from the family court to confirm that no child support is paid.

10.23.5 Asset Income

For families with net assets totaling \$5,000 or less, LRHA will accept the family's self-certification of the value of family assets and anticipated asset income. The family's declaration must show each asset and the amount of income expected from that asset. All family members 18 years of age and older must sign the family's declaration.

LRHA will obtain third-party documentation of assets for new applicants and whenever a family member is added.

LRHA will obtain third-party verification of asset value and income once every three years for families with net assets totaling \$5,000 or less.

LRHA will obtain third-party verification when family net assets are greater than \$5,000.

Retirement Accounts

The LRHA will accept written third-party documents supplied by the family as evidence of the status of retirement accounts. The type of original document that will be accepted depends upon the family member's retirement status.

- **Before** retirement, LRHA will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than six months from the effective date of the examination.
- **Upon** retirement, LRHA will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.
- **After** retirement, LRHA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

10.23.6 Income from Excluded Sources

For **fully excluded income**, LRHA is **not** required to follow the verification hierarchy, document why third-party verification is not available, or report the income on the 50058. *Fully excluded income* is defined in 24 CFR 5.609(c1 –c17), as may be amended, and is income that is entirely excluded from the annual income determination (for example, food stamps, earned income of a minor, or foster care funds). LRHA will accept the family's self-certification as verification of fully excluded income. LRHA may request additional documentation if necessary to document the income source.

Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of

an adult full-time student, or income excluded under the earned income disallowance). LRHA will verify the source and amount of partially excluded income.

10.23.7 Zero Income Household

Families claiming no annual income will be required to execute verification forms to determine that certain forms of income outside the realm of EIV are not being received by the household. Receipt of Supplemental Nutrition Assistance Program (SNAP)/food stamp benefits is not considered income for the purposes of zero income verification; families receiving SNAP with no other income will be required to verify zero income status as described in this section.

Any payments paid on behalf of the family and other cash or non-cash contributions provided on a recurring basis may be counted as income depending on the duration and circumstances.

See [Zero Income/Minimum Rent](#) Interim Reexamination for zero income policy on reexamination frequency requirements for zero income households.

Zero Income Verification Requirements

LRHA will check UIV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, Social Security, SSI, and earnings are not being received by families claiming to have zero annual income.

LRHA will also require the head of household to complete an Affidavit of Zero Income form.

10.24 VERIFYING MANDATORY DEDUCTIONS

Policies in this section cover verification of mandatory deductions.

10.24.1 Dependent and Elderly/Disabled Household Deductions

LRHA will verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

10.24.2 Medical Expenses

Unreimbursed medical expenses will be verified through written third-party documents provided by the family, such as pharmacy printouts or receipts, or written third-party forms if the family is unable to provide acceptable documentation.

The LRHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The LRHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

In addition, LRHA will verify that:

- The household is eligible for the deduction;
- The costs to be deducted are qualified medical expenses;
- The expenses are not paid for or reimbursed by any other source; and
- Costs incurred in past years are counted only once.

The family may be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

When anticipated costs are related to ongoing payment of medical bills incurred in past years, the LRHA will verify:

- The anticipated repayment schedule;
- The amounts paid in the past, and
- Whether the amounts to be repaid have been deducted from the family's annual income in past years.

10.24.3 Disability Assistance Expenses

LRHA will verify that the family is eligible to deduct unreimbursed disability assistance expenses. LRHA will allow a family to deduct unreimbursed disability assistance expenses after verifying that:

- The family member for whom the expense is incurred is a person with disabilities;
- The expense permits a family member, or members, to work;
- The expense is not reimbursed from another source.

Attendant Care

Expenses for attendant care will be verified through:

- Written third-party documents provided by the family, such as receipts or cancelled checks.
- Third-party verification form signed by the provider, if family-provided documents are not available.
- If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

Auxiliary Apparatus

Expenses for auxiliary apparatus will be verified through:

- Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.
- Third-party verification form signed by the provider, if family-provided documents are not available.
- If third-party or document review is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

10.24.4 Child Care Expenses

In order to determine whether a household is eligible to deduct unreimbursed childcare expenses LRHA will verify that:

- The child is under 13 years of age;

- The costs claimed are not reimbursed;
- The costs enable a family member to pursue an eligible activity;
- The costs are for an allowable type of child care and
- The costs are reasonable.

Eligible Child

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. LRHA will verify that the child being cared for (including foster children) is under the age.

Unreimbursed Expense

The family (and/or the care provider) will be required to certify that the child care expenses are not paid by or reimbursed to the family from any source.

Pursuing an Eligible Activity

LRHA will verify that the deduction of the unreimbursed child care expenses enable a family member(s) to seek work, pursue education, or be gainfully employed.

- **Information to Be Gathered:** LRHA will evaluate how the schedule for the claimed activity relates to the hours of care provided and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.
- **Seeking Work:** Whenever possible, LRHA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases, LRHA will request documentation from the agency of the member's job seeking efforts to date and require the family to submit to LRHA any reports provided to the other agency.

In the event documentation is not available, LRHA will provide the family with a form on which the family member must record job search efforts. LRHA will review this information at each subsequent reexamination for which this deduction is claimed.

- **Furthering Education:** LRHA will request third-party documentation to verify that the person permitted to further his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.
- **Gainful Employment:** LRHA will seek third-party verification of the work schedule of the person who is permitted to work by the child care. The documentation may be provided by the family.

Allowable Type of Child Care

LRHA will verify that the type of child care selected by the family is allowable.

LRHA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

LRHA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

Reasonableness of Expenses

Only reasonable child care costs can be deducted. The actual costs the family incurs will be evaluated by LRHA for reasonableness to ensure that the costs are allowable.

If the family presents a justification for costs that exceed typical costs in the area, LRHA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

10.24.5 Live-In Aide

Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. For continued approval, the family must submit a new, written request-subject to LRHA verification-at each annual reexamination.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

CHAPTER 11: HOUSING QUALITY STANDARDS

11.1 OVERVIEW

LRHA will inspect each unit in accordance with established policies to determine if the unit meets the Housing Quality Standards ("HQS"). LRHA will maintain a history of each inspection.

All units must pass an HQS inspection prior to the approval of a lease and at least once every 24 months during the term of the contract, and at other times as needed, to determine that the unit meets HQS.

11.2 PHYSICAL STANDARDS

11.2.1 General HUD Requirements

HUD Performance and Acceptability Standards

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities;
- Food preparation and refuse disposal;
- Space and security;
- Thermal environment;
- Illumination and electricity;
- Structure and materials;
- Interior air quality;
- Water supply;
- Lead-based paint;
- Access;
- Site and neighborhood;
- Sanitary condition; and
- Smoke detectors.

11.3 LIFE THREATENING CONDITIONS

HUD requires LRHA to define life threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life threatening conditions within 24 hours of LRHA notification. LRHA's definition of life threatening conditions may be found in the Appendix [**LIFE-THREATENING CONDITIONS**](#).

If an owner fails to correct life threatening conditions as required by LRHA, the housing assistance payment (HAP) will be abated and the HAP contract will be terminated.

If a family fails to correct a family caused life threatening condition as required by LRHA, LRHA may terminate the family's assistance.

The owner will be required to repair an inoperable smoke detector unless LRHA determines that the family has intentionally disconnected it (by removing batteries or other means). In this case, the family will be required to repair the smoke detector within 24 hours.

11.4 OWNER AND FAMILY RESPONSIBILITIES

11.4.1 Family Responsibilities

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service;
- Failure to provide or maintain appliances owned by the family; and
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear that results in a breach of the HQS. *Normal wear and tear* is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

11.4.2 Owner Responsibilities

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious lease violation, the owner may take legal action to evict the family.

11.5 SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL BLOOD LEAD LEVEL

When LRHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an elevated blood lead level, the LRHA will complete an environmental investigation of the dwelling unit within 15 calendar days after being notified by a public health department or other medical health care provider.

The environmental investigation must be completed in accordance with program requirements, and the result of the environmental investigation must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the environmental investigation report from LRHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the "hazard reduction" as required, the dwelling unit is in violation of HQS and LRHA will take action in accordance with abatement policies in this Plan.

LRHA reporting requirements, and data collection and record keeping responsibilities related to children with an elevated blood lead level are discussed in [Reporting and Record Keeping for Children with Elevated Lead Levels](#).

11.6 VIOLATION OF HQS SPACE STANDARDS

If LRHA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, LRHA will issue the family a new voucher, and the family and LRHA

will try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, LRHA will terminate the HAP contract in accordance with its terms.

11.7 MODIFICATIONS TO PROVIDE ACCESSIBILITY

An owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit, at the family's expense. All such modifications must meet all applicable HQS requirements.

Any owner that intends to negotiate a restoration agreement or require an escrow account must submit the agreement(s) to the LRHA for review.

11.8 TYPES OF INSPECTIONS

LRHA conducts the following types of inspections as needed:

- Initial Inspections,
- Annual/Biennial Inspections,
- Special Inspections,
- Quality Control Inspections.

11.9 INSPECTION OF LRHA-OWNED UNITS

LRHA will obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in an LRHA-owned unit. An LRHA-owned unit is defined as a unit that is owned by LRHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by LRHA). The independent agency will communicate the results of each inspection to the family and LRHA. The independent agency will be approved by HUD, and may be the unit of general local government for the LRHA's jurisdiction.

In the case of inspections of LRHA-owned units, LRHA may compensate the independent agency from ongoing administrative fee for inspections performed. LRHA and the independent agency will not charge the family any fee or charge for the inspection.

11.10 COST OF INSPECTION

LRHA will not charge the family for unit inspections.

11.11 REMOTE VIDEO INSPECTIONS (RVIs)

As an alternative to some or all onsite inspections, LRHA may opt to perform HQS inspections from a remote location using video streaming technology and a proxy at the inspection site. In the event LRHA adopts RVIs, it will develop policies to address circumstances where the application of technology provides insufficient information or evidence to allow LRHA to make appropriate determinations about whether a condition violates HQS.

11.12 NOTICE AND SCHEDULING

The family must allow LRHA to inspect the unit at reasonable times and with reasonable notice.

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of emergency conditions, reasonable notice is considered to be no less than 48 hours. In the case of an emergency conditions, LRHA will give as much notice as possible, given the nature of the emergency.

11.13 OWNER AND FAMILY INSPECTION ATTENDANCE

When a family occupies the unit at the time of inspection, an authorized adult must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

If an authorized adult cannot be present on the scheduled date, the family should request that LRHA reschedule the inspection. LRHA will schedule a new inspection date.

If the family misses the first scheduled appointment without requesting a new inspection date, LRHA will automatically schedule a second inspection. If the family misses two scheduled inspections without LRHA approval, LRHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance.

At initial inspection of a vacant unit, LRHA will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

11.14 INITIAL INSPECTIONS

LRHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection before the effective date of the HAP contract..

11.14.1 Timing of Initial Inspections

LRHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RFTA).

11.14.2 Initial Inspection Results and Reinspections

If any HQS violations are identified, the owner will be notified of the deficiencies and be given a time frame to correct them. If requested by the owner, the time frame for correcting the deficiencies may be extended by LRHA for good cause. LRHA will reinspect the unit within 5 business days of the date the owner notifies LRHA that the required corrections have been made.

If the time period for correcting the deficiencies (or any LRHA-approved extension) has elapsed, or the unit fails HQS at the time of the reinspection, LRHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit. LRHA may agree to conduct a second reinspection, for good cause, at the request of the family and owner.

Following a failed reinspection, the family may submit a new Request for Tenancy Approval after the owner has made repairs, if they are unable to locate another suitable unit.

11.14.3 Utilities

If utility service is not available for testing at the time of the initial inspection, LRHA will allow the utilities to be placed in service after the unit has met all other HQS requirements. LRHA will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by LRHA.

11.14.4 Appliances

If the family is responsible for supplying the stove and/or refrigerator, LRHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by LRHA. LRHA will execute the HAP contract based upon a certification from the family that the appliances have been installed and are working. A confirmatory inspection will be scheduled within 30 days of HAP contract approval.

11.15 HQS INSPECTION FREQUENCY

Each unit under HAP contract will have an HQS inspection at least once in a 24-month period. LRHA reserves the right to change any HQS unit inspection frequency based solely upon management discretion. For example, if a unit has had HQS failures on all scheduled HQS inspections, LRHA may inspect the unit on an annual instead of biennial basis. LRHA will not rely on alternative inspection standards.

11.16 SPECIAL INSPECTIONS

LRHA will conduct a special inspection if the owner, family, or a third party reports possible HQS violations in the unit.

During a special inspection, LRHA generally will inspect only those deficiencies that were reported; however, the inspector may record any additional HQS deficiencies that are observed and may require the responsible party to make the necessary repairs.

If the biennial inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled, LRHA may elect to conduct a full inspection.

11.17 QUALITY CONTROL INSPECTIONS

An LRHA supervisor or other qualified person will conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of HQS.

The unit sample will generally include units that have been inspected within the preceding three months. The selected sample should be drawn to represent a cross-section of neighborhoods and the work of a cross-section of inspectors.

11.18 INSPECTIONS RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP

11.18.1 Notification of Corrective Actions

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, LRHA will determine:

- Whether or not the failure is a life threatening condition, and
- Whether the family or owner is responsible.

When life threatening conditions are identified, LRHA will immediately notify both parties by telephone or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of LRHA's notice.

When failures that are not life threatening are identified, LRHA will send the owner and the family a written notification of the inspection results within a reasonable timeframe. The written notice will specify who is responsible for correcting the violation, and the timeframe within which the failure must be corrected. For HQS violations that are not life threatening, corrections must be made within 30 days.

11.18.2 Extensions

For conditions that are life threatening, LRHA will not grant an extension to the 24-hour corrective action period.

For conditions that are not life-threatening, LRHA may grant an exception to the required timeframes for correcting the violation, if LRHA determines that an extension is appropriate.

11.18.3 Reinspections

The LRHA will conduct a reinspection immediately following the end of the corrective period, or any LRHA-approved extension. Alternatively, LRHA may accept an owner's certification with a photo of the repair and then verify that action at the next onsite inspection. LRHA will use this verification process when appropriate in light of the severity of corrections.

11.19 ENFORCING OWNER COMPLIANCE

If the owner fails to maintain the dwelling unit in accordance with HQS, LRHA will take prompt and vigorous action to enforce the owner obligations.

11.19.1 HAP Abatement

LRHA will make all HAP abatements effective the first of the month following the expiration of the LRHA specified correction period (including any extension).

LRHA will inspect abated units within a reasonable time period after the owner's notification that the work has been completed. Payment will resume effective on the first day of the month following the day the unit passes inspection. No retroactive payments will be made to the owner for the period of time the assistance payments were abated.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

11.19.2 HAP Contract Termination

LRHA will notify the family and issue the family a voucher to move when a unit has been in abatement for 30 days. Generally, LRHA will terminate a HAP contract when a unit has been in abatement for 90 days; however LRHA will also factor into the HAP termination determination, the nature of the violation, the extent of the repairs and the good faith of the landlord in attempting to make said repairs. LRHA will not terminate the HAP contract until the family finds another unit, provided the family does so in a reasonable time.

11.20 ENFORCING FAMILY COMPLIANCE WITH HQS

Families are responsible for correcting any family caused HQS violations. If the family fails to correct a violation within the period allowed by LRHA (and any extensions), LRHA may terminate the family's assistance.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

CHAPTER 12: RENT REASONABLENESS

12.1 OVERVIEW

A HAP contract and lease may not be approved until LRHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program. A reasonable rent is one that does not exceed the rent charged for comparable, unassisted units in the same market area. Owners are also prohibited from charging more for assisted units than for comparable unassisted units on the premises.

At all times during assisted tenancy, LRHA will ensure that the rent to the owner does not exceed the reasonable rent as most recently determined or re-determined by LRHA. LRHA will make a determination whether the rent to owner is a reasonable rent in comparison to rent for other comparable unassisted units. In making this determination LRHA will consider:

- The amount of rent being charged for comparable, standard, unassisted units in the neighborhood;
- The quality, location, size, unit type and age of the contract unit;
- The amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease;
- Onsite facilities;
- Management and maintenance of the building and unit; and
- The amount of rent charged by the owner for similar units in the same structure.

12.2 TIMING OF REASONABLE RENT DETERMINATIONS

LRHA will complete reasonable rent determinations:

- When a unit is placed under HAP contract for the first time;
- When an owner requests an increase in rent;
- If there is a 10 percent decrease in the applicable fair market rent that goes into effect at least 60 days before the contract anniversary date; and
- At any other time LRHA or HUD deems it necessary.

LRHA will terminate the existing contract for any unit where the landlord does not agree to a reasonable rent.

In addition to the instances described above, the LRHA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the LRHA determines that the initial rent reasonableness determination was in error or (2) the LRHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

For rent increase requests after initial lease-up, the LRHA may request owners to provide information about the rents charged for other unassisted units owned by the landlord. In evaluating the proposed rents in comparison to other unassisted units the LRHA will consider unit size and length of tenancy in the other units. LRHA will timely determine whether the requested increase is reasonable after receiving the request from the owner. The owner will be notified of the determination in writing.

All rents adjustments will be effective the first of the month following 60 days after the LRHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

12.3 HOW REASONABLE RENTS ARE DETERMINED

The reasonable rent must be determined by comparison to the rent for other comparable unassisted units. When making this determination, LRHA will consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

12.4 UNITS THAT MUST NOT BE USED AS COMPARABLES

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that impose rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs:

- Section 8 project-based assistance;
- Section 236 and Section 221(d)(3);
- Below Market Interest Rate (BMIR) projects;
- HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized;
- Units subsidized through federal, state, or local tax credits;
- Units subsidized by the Department of Agriculture rural housing programs; and
- Units that are rent-controlled by local ordinance.

12.5 RENTS CHARGED FOR OTHER UNITS ON THE PREMISES

By accepting LRHA payment each month, the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give LRHA information regarding rents charged for other units on the premises.

12.6 REASONABLE RENT AND LRHA-OWNED UNITS

In cases where an HCV family is receiving assistance in a LRHA-owned unit, LRHA will obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance.

An *LRHA-owned unit* is defined as a unit that is owned by LRHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by LRHA). The independent agency will communicate the results of the rent reasonableness determination to the family and LRHA. The independent agency will be approved by HUD, and may be the unit of general local government for LRHA's jurisdiction.

12.7 RENT INCREASES TO OWNERS

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease.

Owners seeking a contract rent increase must send a written request to LRHA, copied to the participant, at least 60 days prior to the proposed date of the increase. The contract rent may not be increased until after the initial term of the lease, or after one year has elapsed from a prior contract rent increase.

LRHA may not approve and the owner may not receive any increase of rent to owner unless and until the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

LRHA will not approve a rent increase for any unit that is considered in violation of HQS standards for deficiencies attributable to the owner.

CHAPTER 13: LEASING POLICIES AND HAP

13.1 OVERVIEW

In order for LRHA to assist a family in a particular dwelling unit, or execute a housing assistance payments (HAP) contract the unit must meet the following requirements:

- **Unit Eligibility:** The unit must qualify as an eligible unit;
- **HQS:** The unit must be decent, safe and sanitary and meet HCV Housing Quality Standards;
- **Lease:** The lease offered by the owner must be approvable and include the required Tenancy Addendum;
- **Rent Reasonableness:** The unit rent must be reasonable given the market area and amenities; exception rents may apply where accessible units are concerned;
- **Owner:** The owner must be an eligible owner, approvable by LRHA, with no conflicts of interest; and

13.2 OWNER SCREENING OF PROSPECTIVE TENANTS

LRHA has no liability or responsibility to the owner or other persons for the family's behavior for tenancy. The owner is responsible for screening and selection of the family to occupy the owner's unit. LRHA informs owners that screening and selection for tenancy is the responsibility of the owner. LRHA also informs owners and/or managers of their responsibility to comply with VAWA.

LRHA provides owners with the family's current and prior address (as shown in LRHA records), and the name and address (if known to LRHA) of the landlord at the family's current and prior address.

LRHA does not provide prospective landlords any additional information related to screening the tenant.

13.3 REQUESTING TENANCY APPROVAL

Once a family finds a suitable unit, the owner and the family must request approval from LRHA.

The owner and the family must submit two documents to LRHA:

- Completed **Request for Tenancy Approval (RFTA)** – Form HUD-52517. The family may not submit, and LRHA will not process, more than one RFTA at a time.
- Copy of the **proposed lease**, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A.

Both the RFTA and the proposed lease must be submitted no later than the expiration date stated on the voucher.

Owners must certify that they are not the spouse, parent, child, grandparent, grandchild, sister or brother of any member of the family, unless LRHA has granted a request for reasonable accommodation for a person with disabilities who is a member of the household.

For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

13.4 PROOF OF OWNERSHIP

LRHA uses the tax assessors' database to confirm ownership prior to approving a Request for Tenancy, but may also collect other acceptable documentation of legal ownership of the unit.

LRHA will only enter into a contractual relationship with the legal owner of a qualified unit. No tenancy will be approved without acceptable documentation of legal ownership (e.g., deed of trust, proof of taxes for most recent year).

When owners use a management agency, documentation of legal ownership as well as the management agreement between the owner and the management agency must be provided to LRHA.

13.5 ELIGIBLE UNITS

Generally, a voucher-holder family may choose any available dwelling unit on the market in LRHA's jurisdiction. This includes the dwelling unit they are currently occupying.

LRHA may also permit households to use voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special housing types include:

- Single room occupancy (SRO) housing;
- Congregate housing;
- Group home;
- Shared Housing;
- Manufactured home space (where the family owns the manufactured home and leases only the space);
- Cooperative housing; and
- Homeownership option (when and if LRHA administers a Homeownership program).

LRHA may permit use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

13.6 INELIGIBLE UNITS

LRHA will not assist a unit under the voucher program if the unit is:

- A public housing or Indian housing unit;
- A unit receiving project-based assistance under Section 8 of the 1937 Act (42 U.S.C. 1437f);
- Nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services;
- College or other school dormitories;
- Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;

- A unit occupied by its owner or by a person with any interest in the unit.

13.7 LRHA-OWNED UNITS

Otherwise eligible units that are owned or substantially controlled by LRHA may also be leased in the voucher program. In order for an LRHA-owned unit to be leased under the voucher program, and LRHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a LRHA-owned unit without any pressure or steering by LRHA.

Currently, LRHA does not have any eligible LRHA-owned units available for leasing under the voucher program.

13.8 DUPLICATIVE ASSISTANCE

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance;
- Other Section 8 assistance (including other tenant-based assistance);
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);
- Section 101 rent supplements;
- Section 236 rental assistance payments;
- Tenant-based assistance under the HOME program;
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);
- Any local or state rent subsidy;
- Section 202 supportive housing for the elderly;
- Section 811 supportive housing for persons with disabilities;
- Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
- Any other duplicative federal, state, or local housing subsidy, as determined by HUD. For this purpose, *housing subsidy* does not include the housing component of a welfare payment, a Social Security payment received by the family, or a rent reduction because of a tax credit.

13.9 HQS

In order to be eligible, the dwelling unit must be in decent, safe and sanitary condition. This determination is made using HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD. See the chapter on [HOUSING QUALITY STANDARDS](#) for a full discussion of the physical standards, as well as the process for HQS inspection.

13.10 UNIT SIZE

In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household. Families are allowed to lease an otherwise acceptable dwelling unit with fewer bedrooms than the number of bedrooms stated on the voucher issued to the family, provided the unit meets the applicable HQS space requirements. Families are allowed to lease an otherwise acceptable dwelling unit with more bedrooms than the number of bedrooms stated on the voucher issued to the family provided that the rent for the unit is consistent with the maximum initial rent burden.

13.11 RENT REASONABLENESS

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See the chapter on [RENT REASONABLENESS](#) for a full discussion of rent reasonableness policies.

13.12 RENT BURDEN

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the dwelling unit rent must be at a level where the family's share of rent cannot exceed 40 percent of the family's monthly adjusted income.

13.13 LEASE

The family and the owner must execute and enter into a written lease for the assisted unit. This written lease is a contract between the tenant family and the owner; LRHA is not a party to this contract. The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease.

The assisted dwelling lease must contain all of the required information, including:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, and any other information needed to identify the contract unit);
- The term of the lease (initial term and any provisions for renewal);
- The amount of the monthly rent to owner;
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

LRHA will not review the owner's lease for compliance with state/local law.

13.13.1 Lease Changes

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give LRHA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, LRHA-approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, voucher assistance in the unit shall not be continued unless LRHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances;
- Changes in lease provisions governing the term of the lease; and
- The family moves to a new unit, even if the unit is in the same building or complex.

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RFTA) along with a new lease containing the modified terms. A new tenancy must then be approved in accordance with this chapter. LRHA will re-determine reasonable rent in these circumstances.

Where the owner is requesting a rent increase, LRHA will determine whether the requested increase is reasonable. The owner will be notified of the determination in writing.

Rent increases will go into effect on the first of the month following the 60 day period after the owner notifies the LRHA of the rent change or on the date specified by the owner, whichever is later.

13.13.2 Separate Non-Lease Agreements between Owner and Tenant

LRHA permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease.

Any items, appliances, or other services that are customarily provided to unassisted families as part of the dwelling lease with those families, or are permanently installed in the dwelling unit must be included in the dwelling lease for the assisted family. These items, appliances or services cannot be placed under a separate non-lease agreement between the owner and family. Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

Any items, appliances, or other services that are not customarily provided to unassisted families as part of the dwelling lease with those families, are not permanently installed in the dwelling unit and where the family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the owner and the family.

The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

Separate non-lease agreements that involve additional items, appliances or other services may be considered amenities offered by the owner and may be taken into consideration when determining the reasonableness of the rent for the property.

13.14 TENANCY ADDENDUM

All provisions in the HUD-required Tenancy Addendum must be added word-for-word to the owner's standard lease form. The Tenancy Addendum includes the HUD requirements for the tenancy. Because it is a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner. If there is a conflict between the owner's lease and the Tenancy Addendum, the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

13.15 TERM OF ASSISTED TENANCY

The initial term of the lease will be one year for all transfers and new admissions, unless LRHA determines that a shorter term will improve housing opportunities for the family and the shorter term rent is at an amount determined to be reasonable.

During the initial term of the lease, the owner may not raise the rent and/or make any changes to the lease.

Any provisions for renewal of the lease will be stated in the lease.

13.16 SECURITY DEPOSIT

The owner may collect a security deposit from the tenant. Security deposits must be in accord with all State and local laws and may not be in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

13.17 TENANCY APPROVAL

After receiving the family's Request for Tenancy Approval, LRHA will notify the family and owner, in writing, as to whether the assisted tenancy is approved.

Prior to approving the assisted tenancy and execution of a HAP contract, LRHA will ensure that all required actions and determinations are completed, including ensuring that:

- The unit is eligible;
- The unit has been inspected by LRHA and meets the Housing Quality Standards (HQS);
- Any lease offered by the owner is approvable and includes the required Tenancy Addendum;
- The rent to be charged by the owner for the unit is reasonable and where applicable does not result in the tenant being rent burdened;
- The owner is an eligible owner, not disapproved by LRHA, with no conflicts of interest; and
- The family and the owner have executed the lease, including the Tenancy Addendum, and the lead-based paint disclosure information.

If the terms of the RFTA are changed for any reason, including but not limited to negotiation with LRHA, LRHA will obtain corrected copies of the RFTA signed by the family and the owner.

13.18 DISAPPROVAL OF ASSISTED TENANCY

If LRHA determines that the tenancy cannot be approved for any reason, the owner and the family will be notified and given the opportunity to address any reasons for disapproval. LRHA will instruct the owner and family of the steps that are necessary to approve the tenancy.

Where the tenancy is not approvable because the unit is not approvable, the family must continue to search for eligible housing within the timeframe of the issued voucher.

If the tenancy is not approvable due to rent affordability or rent reasonableness, the LRHA will attempt to negotiate the rent with the owner. If a new, approvable rent is negotiated, the tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued voucher.

13.19 HAP CONTRACT

The HAP contract is a written agreement between LRHA and the owner of the dwelling unit occupied by an HCV-assisted family. The contract spells out the owner's responsibilities under the program, as well as LRHA's obligations. Under the HAP contract, LRHA agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit and obliges the owner to comply with all program requirements.

13.19.1 HAP Contract Execution

If LRHA has given approval for the family of the assisted tenancy, the owner and LRHA must execute the HAP contract.

The HAP contract will be executed no later than 60 days from the effective date of the lease.

13.19.2 HAP Contract Payments

At the beginning of each month during the term of the HAP contract, and subject to the provisions of the HAP contract, LRHA will make monthly HAP payments to the owner on behalf of the family. If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month.

LRHA will not pay any housing assistance payment to the owner until the HAP contract has been executed.

Any HAP contract executed after the 60 day period is void, and LRHA may not make any housing assistance payments to the owner. HAP payments can be made only during the lease term, and only while the family is residing in the unit.

The monthly HAP payment by LRHA is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the tenant plus the LRHA HAP payment should be equal to the rent specified in the lease (the rent to owner).

The family is not responsible for payment of the HAP payment, and LRHA is not responsible for payment of the family share of rent.

The owner may not demand or accept any rent payment from the tenant in excess of this maximum. The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises.

If the owner receives any excess HAP from LRHA, the excess amount must be returned immediately. If LRHA determines that the owner is not entitled to all or a portion of the HAP, LRHA may deduct the amount of overpayment from any amounts due to the owner, including amounts due under any other Section 8 HCV contract.

13.19.3 Owner Certification Compliance

Unless the owner complies with all provisions of the HAP contract, the owner is not entitled to receive housing assistance payments under the HAP contract.

By endorsing the monthly check from LRHA, the owner certifies to compliance with the terms of the HAP contract. This includes certification that:

- The owner is maintaining the unit and premises in accordance with HQS;
- The contract unit is leased to the tenant family and, to the best of the owner's knowledge, the family resides in the unit as the family's only residence;

- The rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and
- The owner does not receive (other than rent to owner) any additional payments or other consideration for rent of the contract unit during the HAP term.

13.19.4 Late HAP Payments

LRHA is responsible for making HAP payments promptly when due to the owner in accordance with the terms of the HAP contract. After the first two calendar months of the HAP contract term the HAP contract provides for penalties if LRHA fails to make the HAP payment on time. LRHA shall pay the owner penalties if:

- Such penalties are in accordance with generally accepted practices and law, as applicable in the local housing market governing penalties for late payment of rent by a tenant;
- It is the owner's practice to charge such penalties for assisted and unassisted tenants; and
- The owner also charges such penalties against the tenant for late payment of family rent to owner.

LRHA is not required to pay a late payment penalty if HUD determines that the payment is late for reasons beyond LRHA's control. In addition, late payment penalties are not required if LRHA intentionally delays or denies payment as a remedy to an owner breach of the HAP contract.

13.19.5 Termination of HAP Contracts and Payments

The HAP contract and the housing assistance payments made under the HAP contract may be terminated if:

- The owner or the family terminates the lease;
- The lease expires;
- LRHA terminates the HAP contract;
- LRHA terminates assistance for the family;
- The family moves from the assisted unit. In this situation, the owner is entitled to keep the housing assistance payment for the month when the family moves out of the unit;
- 180 days have elapsed since LRHA made the last housing assistance payment to the owner;
- The family is absent from the unit for longer than the maximum period permitted by LRHA;
- The Annual Contributions Contract (ACC) between LRHA and HUD expires; or
- LRHA elects to terminate the HAP contract.

LRHA may elect to terminate the HAP contract in each of the following situations:

- Available program funding is not sufficient to support continued assistance for households in the program;
- The unit does not meet HQS size requirements due to a change in family composition;
- The unit does not meet HQS;

- The family breaks up; or
- The owner breaches the HAP contract.

If LRHA terminates the HAP contract, LRHA will give the owner and the family written notice. The notice will specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no further HAP payments may be made under that contract.

In all cases, the HAP contract terminates at the end of the calendar month that follows the calendar month in which LRHA gives written notice to the owner. The owner is not entitled to any housing assistance payment after this period, and must return any housing assistance payment received after this period to LRHA.

If the family moves from the assisted unit into a new unit, even if the new unit is in the same building or complex as the assisted unit, the HAP contract for the assisted unit terminates. A new HAP contract would be required.

If the family moves out of the unit, LRHA may not make any housing assistance payment to the owner for any month after the month the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

The owner must inform LRHA when the owner has initiated eviction proceedings against the family and the family continues to reside in the unit.

If the owner has commenced the process to evict the tenant and the family continues to reside in the unit, LRHA must continue to make housing assistance payments to the owner in accordance with the HAP contract until the owner has obtained a court judgment or other process allowing the owner to evict the tenant. LRHA may continue such payments until the family moves from, or is evicted from the unit, whichever is earlier.

The owner must inform LRHA when the owner has obtained a court judgment or other process allowing the owner to evict the tenant, and provide LRHA with a copy of such judgment or determination. The owner must inform LRHA of the date when the family actually moves from the unit or the family is physically evicted from the unit.

13.19.6 Breach of HAP Contract

Any of the following actions by the owner constitutes a breach of the HAP contract:

- The owner violates any obligations under the HAP contract including failure to maintain the unit in accordance with HQS;
- The owner violates any obligation under any other HAP contract under Section 8 of the U.S. Housing Act of 1937;
- The owner commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- Owner non-payment of property taxes;
- For projects with mortgages insured by HUD or loans made by HUD, if the owner fails to comply with the regulations for the applicable program; or if the owner commits fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan;
- The owner engages in drug-related criminal activity; or

- The owner commits any violent criminal activity.

If LRHA determines that a breach of the HAP contract has occurred, it may exercise any of its rights and remedies under the HAP contract.

LRHA rights and remedies against the owner under the HAP contract include:

- Recovery of any HAP overpayment;
- Suspension of housing assistance payments;
- Abatement of housing assistance payments;
- Reduction of the housing assistance payment;
- Termination of the payment; or
- Termination the HAP contract.

LRHA may also obtain additional relief by judicial order or action.

LRHA will notify the owner of its determination and provide in writing the reasons for the determination. The notice may require the owner to take corrective action by an established deadline. LRHA will provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract.

CHAPTER 14: OWNERS

14.1 OVERVIEW

Owners play a central role in the HCV program by supplying decent, safe, and sanitary housing for participating households. The term *owner* refers to any person or entity with the legal right to lease or sublease a unit to a household in the HCV program. Owners have numerous responsibilities under the program, including screening and leasing to households, maintaining the dwelling unit, enforcing the lease, and complying with various contractual obligations.

14.2 OWNER RECRUITMENT AND RETENTION

LRHA will conduct owner outreach to ensure that owners are familiar with the program and its advantages. LRHA will actively recruit property owners with property located outside areas of poverty and minority concentration. These outreach strategies may include:

- Distributing printed material about the program to property owners and managers;
- Contacting property owners and managers by phone or in-person;
- Holding owner recruitment/information meetings at least once a year;
- Participating in community-based organizations comprised of private property and apartment owners and managers;
- Developing working relationships with owners, apartment associations, industry investor groups, and real estate brokers associations;
- To the extent practical, partnering with and attending events hosted by other area agencies to deliver information about the HCV program.

In addition to recruiting owners to participate in the HCV program, LRHA will also provide the kind of customer service that will encourage participating owners to remain active in the program.

LRHA will maintain a listing of owners known to be willing to lease a unit to HCV families and provide this listing to the HCV family as part of the informational briefing packet.

14.3 BASIC OWNER RESPONSIBILITIES

The basic owner responsibilities according to HUD regulations are as follows:

- Perform all of the owner's obligations under the Housing Assistance Payments (HAP) contract and the lease;
- Perform all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the household is suitable for tenancy of the unit;
- Maintain the unit in accordance with the Housing Quality Standards (HQS), including performance of ordinary and extraordinary maintenance;
- Comply with equal opportunity requirements;
- Prepare and furnish to LRHA information required under the HAP contract;

- Collect from the household any security deposit, the tenant's contribution to rent (that part of rent to owner not covered by the housing assistance payment from LRHA), and any charges for unit damage by the household;
- Enforce tenant obligations under the lease;
- Pay for utilities and services that not the responsibility of the family as specified in the lease;
- Allow modifications to a dwelling unit occupied or to be occupied by a disabled person; and
- Comply with the Violence Against Women Reauthorization Act of 2013 (VAWA) when screening and terminating tenants.

14.4 OWNER QUALIFICATIONS

LRHA will not approve the assisted tenancy for any of the following reasons:

- LRHA has been informed that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24;
- The owner parent, child, grandparent, grandchild, sister, or brother of any member of the family; LRHA may make an exception as a reasonable accommodation for a family member with a disability;
- Any of the following have an interest in the tenancy:
 - Any present or former member or officer of LRHA (except a participant commissioner);
 - Any employee of LRHA, or any contractor, subcontractor or agent of LRHA, who formulates policy or who influences decisions with respect to the programs;
 - Any public official, member of a governing body, or state or local legislator, who exercises functions or responsibilities with respect to the programs;
 - Any member of the Congress of the United States.

HUD may waive the conflict of interest requirements, except for members of Congress, for good cause. LRHA must submit a waiver request to the appropriate HUD Field Office for determination.

14.5 OWNER DISAPPROVAL

LRHA may deny approval to lease a unit from an owner for any of the following reasons:

- The owner has violated obligations under a HAP contract under Section 8 of the 1937 act (42 U.S.C. 1437f).
- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- The owner has engaged in any drug-related criminal activity or any violent criminal activity;
- The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing programs;

- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - Threatens the right to peaceful enjoyment of the premises by other residents;
 - Threatens the health and safety of other residents, of employees of LRHA, or of owner employees or other persons engaged in management of the housing;
 - Threatens the health or safety of or the right to peaceful enjoyment of their residency by persons residing in the immediate vicinity of the premises; or
 - Engages in drug-related criminal activity or violent criminal activity.
- The owner has not paid state or local real estate taxes, fines, or assessments.
- The owner has a history or practice of renting units that fail to meet state or local housing codes.
- Any other reasons determined reasonable by LRHA and prohibited by law.

14.6 NON-DISCRIMINATION

The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability, in connection with any actions or responsibilities under the HCV program and the HAP contract with LRHA.

The owner must cooperate with LRHA and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with LRHA.

14.7 CHANGE IN OWNERSHIP

An owner under a HAP contract must notify LRHA in writing at least 30 days in advance of the change in the legal ownership of the unit. The owner must supply all information as requested by LRHA. The request must include the name and address of the new HAP payee and the effective date of the change. LRHA will notify the existing and new owner, in writing, of the outcome of the change in ownership request.

If LRHA is not notified of the sale, 30 days in advance, and as a result, HAP payments have been issued to the seller after the date of the sale, HPD will not issue payments for this time period to the purchaser. The purchaser will be directed to contact the seller for those funds.

Assignment of the HAP contract will be approved only if the new owner is qualified to become an owner under the HCV program.

The new owner must provide a written certification to the LRHA that includes:

- Proof of ownership, (i.e., a copy of the escrow statement or other document showing the transfer of title and recorded deed);
- A copy of the owner's IRS Form W-9, Request for Taxpayer Identification Number and Certification, and/or the Employer Identification Number or Social Security number of the new owner;
- The effective date of the HAP contract assignment;
- A written agreement to comply with the terms of the HAP contract;

- A certification that the new owner is not a prohibited relative; and
- Any other completed, signed, and dated required LRHA forms.

If the change in ownership request that is submitted is determined to be incomplete, LRHA will request additional information and provide a 30-day deadline for a response. If the owner fails to respond by the provided deadline, upon completion of the required documents, LRHA may make the rental subsidy payments prospective from the date that all required documentation is supplied to LRHA.

The new owner must agree to be bound by and comply with the HAP contract. If the new owner does not agree to an assignment of the HAP contract, or fails to provide required documents, LRHA will terminate the HAP contract and issue the family a voucher to move. If the new owner wants to offer the family a new lease, and the family elects to stay with continued assistance, LRHA will process the leasing in accordance with the policies in this Plan.

14.8 FORECLOSURE

Families receiving HCV assistance are entitled to certain protections set forth under the Protecting Tenants at Foreclosure Act (PTFA). During the term of the lease, the new owner of the property does not have good cause to terminate the tenant's lease, unless the new owner will occupy the unit as their primary residence and has provided the tenant with at least a 90-day notice. In that case, the lease may be terminated effective on the date of sale, although the tenant is still entitled to a 90-day notice to vacate. Further, the new owner assumes interest in the lease between the prior owner and the tenant and to the HAP contract.

Any state or local law that provides longer time periods or other additional protections for tenants also applies.

14.9 OWNER TERMINATION OF TENANCY

During the lease term, an owner shall not terminate the tenancy of an assisted household except for specific reasons. See [TERMINATION OF TENANCY BY THE OWNER](#) for specific policies on owner termination of tenancy.

CHAPTER 15: PAYMENT STANDARDS AND UTILITY ALLOWANCES

15.1 OVERVIEW

The payment standard sets the maximum subsidy payment a family can receive from LRHA each month. Payment standards for the tenant-based program are based on fair market rents (FMRs) published annually by HUD. LRHA has established a payment standard schedule with payment standard amounts for each unit size which is within 90 percent and 110 percent of the published FMR. Payment standards used to determine initial and redetermined rents for the project-based program are also based on FMRs.

15.2 UPDATING PAYMENT STANDARDS

When HUD updates its FMRs, LRHA will update its payment standards to ensure that payment standards are within the required basic range. HUD may require LRHA to make further adjustments if it determines that rent burdens for assisted families in LRHA's jurisdiction are unacceptably high.

LRHA will review the appropriateness of the payment standards on an annual basis when the new FMRs are published, and at other times as determined necessary. In addition to ensuring the payment standards are always within the "basic range" LRHA may consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

1. Funding Availability;
2. Rent Burden of Participating Families;
3. Quality of Units Selected;
4. Frequency and Amount of Changes in Rent to Owner;
5. Unit Availability; and
6. Lease-up Time and Success Rate.

15.3 APPLYING PAYMENT STANDARDS

LRHA's schedule of payment standards is used to calculate housing assistance payments for HCV families.

The payment standard for a family is the lower of:

- The payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under LRHA's subsidy standards; or
- The payment standard for the size of the dwelling unit rented by the family.

The payment standard for a Single Room Occupancy (SRO) unit is 75% of the zero-bedroom payment standard.

15.3.1 Changes in Payment Standards

Changes to payment standard amounts will generally be effective on January 1st of every year, or within three months of the FMR effective date, whichever is earlier. The effective date is applicable both to HUD-required revisions and to discretionary revisions; however, LRHA reserves the right to modify payment standards at other times to support leasing goals and in response to market conditions.

When LRHA revises its payment standards during the term of the HAP contract for a family's unit, it will apply the new payment standards in accordance the policies in this Plan.

If LRHA has already processed recertifications that will be effective on or after the effective date of the new payment standard, LRHA will not make retroactive payment standard adjustments for any such recertifications.

Decreases

If LRHA changes its payment standard schedule resulting in a lower payment standard amount, during the term of a HAP contract, LRHA will not reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect.

LRHA will not establish different policies for decreases in the payment standard for designated areas within their jurisdiction.

Increases

If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard.

Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination.

15.3.2 Changes in Family Unit Size

Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

15.3.3 Reasonable Accommodation and Payment Standards

If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, LRHA may establish a higher payment standard for the family of not more than 120 percent of the applicable published FMR, as long as the rent is reasonable.

15.3.4 Exception Payment Standards

LRHA may establish an exception payment standard for a zip code area of up to and including 110 percent of the SAFMR determined by HUD for that zip code area. In the event that LRHA wishes to establish an exception payment standard for a zip code area using the SAFMR, LRHA will send an email to SAFMRs@hud.gov to notify HUD that it has adopted an exception payment standard based on the SAFMR.

In the event that LRHA adopts an exception payment standard, using SAFMRs, for a zip code area, LRHA will apply the exception payment standard to the entire ZIP code area, for its HCV program.

LRHA may request HUD approval to establish payment standards higher than the basic range (90 to 110 percent of the FMR).

LRHA will not apply the exception payment standards, using SAFMRs, for the PBV program.

15.4 UTILITY ALLOWANCES

LRHA's established utility allowance schedule is used in determining family share and LRHA subsidy. LRHA will maintain a utility allowance (UA) schedule for:

- All tenant-paid utilities,
- The cost of tenant-supplied refrigerators and ranges, and

- Other tenant-paid housing services such as trash collection.

The utility allowance will include the utilities and services that are necessary in the locality to provide housing that complies with housing quality standards. Costs for telephone, cable/satellite television, and internet services are not included in the utility allowance schedule.

In the utility allowance schedule, LRHA will classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection; other electric; cost of tenant-supplied refrigerator; cost of tenant-supplied range; and other specified housing services.

A family's utility allowance is determined by the lower of the size of dwelling unit leased by a family or the voucher unit size for which the family qualifies using LRHA subsidy standards.

15.4.1 Air Conditioning

LRHA has included an allowance for air conditioning in its schedule. Central air conditioning or a portable air conditioner must be present in a unit before LRHA will apply this allowance to a family's rent and subsidy calculations.

15.4.2 Utility Allowance Reasonable Accommodations

LRHA may approve an allowance amount higher than the utility allowance schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. The family must request the higher allowance and provide the LRHA with an explanation of the need for the reasonable accommodation and information about the amount of additional allowance required.

15.4.3 Utility Allowance Revisions

At least once per year, LRHA will review current utility rates to determine if there has been a change of 10 percent or more. If so, the new rates will be applied and a new UA schedule will be implemented.

LRHA will maintain information supporting its periodic review of utility allowance and any revisions made in its utility allowance schedule.

Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination that is effective after the allowance is adopted. If LRHA has already processed recertifications that will be effective on or after the effective date of the new utility allowance schedule, LRHA will not make retroactive utility allowance adjustments for any such recertifications.

CHAPTER 16: CONTINUED OCCUPANCY AND REEXAMINATIONS

16.1 INTRODUCTION

LRHA reexamines annually each family's income and composition and adjusts the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations. This chapter discusses both regular and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result.

16.2 REQUIREMENTS FOR CONTINUED OCCUPANCY

In order for the family to be eligible for continued occupancy, they must:

- Qualify as a household as defined in this policy;
- Maintain full compliance with the family obligations and responsibilities as described in the dwelling lease and not commit any serious or repeated violation of the lease;
- Supply any information that LRHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status;
- Meet HUD standards on citizenship or immigration status or pay a prorated rent;
- Supply any information that LRHA or HUD determines to be necessary for use in a regularly schedule reexamination or interim reexamination of family income and composition, and that information must be true and complete;
- Disclose and verify Social Security numbers and sign and submit consent forms for obtaining information or have certifications on file indicating that they are not eligible to receive a Social Security number;
- Use the assisted unit for residence by the family and as the family's only residence;
- Allow LRHA to inspect the unit at reasonable times and after reasonable notice;
- Be responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest;
- Pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease;
- Promptly notify LRHA in writing of the birth, adoption, or court-awarded custody of a child, and request LRHA approval to add any other household members as occupants of the unit. LRHA's approval of such additions is subject to the household composition requirements;
- Promptly notify LRHA in writing if any household member no longer lives in the unit.
- Comply with lease requirements regarding notification to LRHA and the owner before moving out of the unit or terminating the lease;
- Never sub-lease or sub-let the unit, and never assign the lease or transfer the unit;
- Supply any information requested by LRHA to verify that the family is living in the unit or information

related to family absence from the unit;

- Promptly notify LRHA when the family is absent from the unit;
- Promptly give LRHA a copy of any owner eviction notice;
- Never commit fraud, bribery or any other corrupt or criminal act in connection with the programs.
- Never engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises;
- Not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises;
- Not own or have any interest in the unit (other than in a cooperative and owners of a manufactured home leasing a manufactured home space); and
- Not receive HCV program assistance while residing in a unit owned by a spouse, parent, child, grandparent, grandchild, sister or brother of any member of the family, unless LRHA has determined (and has notified the owner and the household of such determination) that approving rental of the unit, notwithstanding such relationship, would provide a reasonable accommodation for a household member who is a person with a disability.

16.3 TIME FRAMES FOR REPORTING CHANGES REQUIRED BY FAMILY OBLIGATIONS

Unless otherwise noted below, when family obligations require the family to respond to a request or notify LRHA of a change, notifying LRHA of the request or change within seven (7) business days is considered prompt notice.

When a family is required to provide notice to LRHA, the notice must be in writing.

16.4 ANNUAL REEXAMINATIONS

LRHA will conduct a reexamination of family income and composition at least annually, except for [Error! Reference source not found.](#), at LRHA's discretion. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent will be recalculated.

16.5 STREAMLINED RECERTIFICATION FOR FAMILY MEMBERS WITH FIXED INCOME SOURCES

LRHA will conduct a streamlined income determination process for family's with fixed sources of income. Third-party verification of all income sources will be obtained during the intake process and every three years thereafter. In the intervening years LRHA will determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest. However, upon request of the family, LRHA will perform third-party verification of all income sources.

- Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The determination of fixed income may be streamlined even if the family receives income from non-fixed income sources.
- If at least 90 percent of the family's unadjusted income is from fixed sources, LRHA will streamline the verification of fixed income and will not verify non-fixed income amounts.

- If the family receives less than 90 percent of its unadjusted income from fixed sources, LRHA will streamline the verification of fixed income and will conduct third-party verification of non-fixed income annually.
- If a family member with a fixed source of income is added, LRHA will use third-party verification of all income amounts for that family member.
- If verification of the COLA or rate of interest is not available, LRHA will obtain third-party verification of income amounts

16.6 SCHEDULING REEXAMINATIONS

LRHA will begin the annual reexamination process 120 days in advance of its scheduled effective date. Generally, LRHA will schedule annual reexamination effective dates to coincide with the family's anniversary date.

Anniversary date is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial lease-up date (admission).

If the family moves to a new unit, LRHA will perform a new annual reexamination and establish an anniversary date consistent with the new lease effective date.

LRHA also may schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

16.7 NOTIFICATION OF AND PARTICIPATION IN THE ANNUAL REEXAMINATION PROCESS

Notification of annual reexamination interviews will be sent by email, or if there is not a working email for the head of household, first-class mail, and will contain information on documentation requirements and due dates.

16.8 CONDUCTING ANNUAL REEXAMINATIONS

As part of the annual reexamination process, families are required to provide updated information to LRHA regarding the family's income, expenses, and composition.

If the family does not provide the required documents or information within the required time period (plus any extensions), the family will be sent a notice of termination.

The information provided by the family generally must be verified in accordance with the policies in this Plan. Unless the family reports a change, or LRHA has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:

- Legal identity,
- Age,
- Social Security numbers,
- A person's disability status,
- Citizenship or immigration status.

16.9 EMAIL OR MAIL-IN REEXAMINATION

Generally, LRHA completes annual reexaminations via email or U.S. mail. However, LRHA reserves the right to conduct an in-person reexamination interview at its own discretion; LRHA may also conduct an in-person reexamination interview with a family as a reasonable accommodation for a person with a disability.

If the emailed reexamination package is returned to LRHA as undeliverable, LRHA will send the package via U.S. mail. If the mailed reexamination package is returned to LRHA as undeliverable, LRHA will mail the household and owner a Termination Letter and follow applicable termination policies.

16.9.1 Reexamination Packet not Returned Timely – Email or Mail-In Reexamination

After seven (7) business days, if reexamination documents have not been returned to LRHA, LRHA will send a second reexamination notice. If the household fails to return the packet after an additional seven (7) business days, LRHA will send the tenant a Termination Letter.

16.9.2 Missing Information – Email or Mail-In Reexamination

If the household does not or is unable to provide all required information/documents needed to complete the mail-in reexamination, LRHA will send a request for additional information. This information must be provided by the household within ten calendar days from the date of the request; however, the household may request an extension. If the household does not provide the required documents or information within the required time frame (plus any extensions), the tenant and owner will be sent a Termination Letter.

16.10 HOUSEHOLD MEMBER TURNING 18 BETWEEN REEXAMINATION DOCUMENTATION SUBMISSION AND REEXAMINATION EFFECTIVE DATE

16.10.1 Income and Deductions

When a household member will turn 18 between the date the family submits their reexamination documentation, but on or before the effective date of the reexamination, LRHA will include the household member's income in the calculation of annual income. For example, a household has a reexamination effective date of November 1. One of the household members, upon submission of a recertification documentation on September 1 is still 17, but will turn 18 on September 30. LRHA will calculate the income of that household member as if they were an adult, since the household member will be 18 by the effective date of the reexamination. Deductions will also be applied as if the household member was an adult. For example, the household with a member who is 17 when the recertification documentation was submitted, but 18 on the reexamination effective date will **not** be given a dependent deduction for the household member who is turning 18 unless that household member is a full-time student or disabled.

16.10.2 Release Forms

When a household member will turn 18 between the time the family submits their recertification documentation, but on or before the effective date of the reexamination, LRHA will have a parent/legal guardian sign any consent/release/lease forms on behalf of that household member.

16.10.3 Criminal Background Check

When a household member will turn 18 between when the time the family submits their recertification documentation, but on or before the effective date of the reexamination, LRHA will have a parent/legal guardian sign the consent for criminal background check on behalf of that household member in order to authorize LRHA's criminal background check. LRHA will conduct a criminal background check as part of the reexamination process.

16.10.4 Subsequent Reexaminations and Background Checks

After the reexamination effective date, if LRHA wishes to complete verifications or background checks on a household member who was not 18 at the reexamination interview, but who subsequently turned 18, LRHA will obtain that household member's signature on any required release form before conducting any type of verification or background check. If no other verifications or background checks are completed between regularly scheduled reexaminations, LRHA will wait until the next regular reexamination to obtain the executed release forms from the household member who had turned 18 between the regularly scheduled reexaminations.

16.11 EFFECTIVE DATES FOR ANNUAL REEXAMINATION RENT CHANGES

16.11.1 Rent Increase

In general, an *increase* in the tenant rent that results from a regular reexamination will take effect on the household's anniversary date, and the household will be notified at least 30 days in advance. If less than 30 days remain before the scheduled reexamination effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.

However, if the household causes a delay in processing the regular reexamination, increases in the family share of the rent will be applied retroactively to the scheduled effective date of the reexamination. The household will be responsible for any underpaid rent and may be offered a repayment agreement at the discretion of LRHA. When a household causes a delay in processing the reexamination, LRHA will not provide the household with 30-day advance notice of the rent increase.

If a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract, and no 30-day notice is required.

If LRHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by LRHA; however, the increase will take effect on the first of the month following the end of the 30-day notice period.

16.11.2 Rent Decrease

In general, a *decrease* in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date.

If a family moves to a new unit, the decrease will take effect on the effective date of the new lease and HAP contract.

If LRHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by LRHA.

If the family causes a delay in processing the annual reexamination, *decreases* in the family share of the rent will be applied prospectively, from the first day of the month following completion of the reexamination processing. LRHA will not provide the household with 30-day advance notice of the rent decrease.

16.12 DETERMINING ONGOING ELIGIBILITY OF CERTAIN STUDENTS

During the annual reexamination process, LRHA will determine the ongoing eligibility of each student who is subject to the eligibility restrictions in 24 CFR 5.612 by reviewing the student's individual income as well as the income of the student's parents.

Students who reside with parents in an HCV-assisted unit are not subject to this provision. It is limited to students who are receiving assistance on their own, separately from their parents.

If a student enrolled in an institution of higher education meets the qualifications outlined in the policies on **STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION**, the student's income eligibility is examined alone; however if the student does not meet the qualifications of the policies identified above, the student's eligibility must be reexamined along with the income eligibility of the student's parents at the time of regular reexamination.

If the student is no longer income eligible based on his/her own income or the income of his/her parents, the student's assistance will be terminated.

If the student continues to be income eligible based on his/her own income and the income of his/her parents (if applicable), LRHA will process a reexamination in accordance with the policies in this chapter.

16.13 INTERIM REEXAMINATIONS

Family circumstances may change between annual reexaminations. HUD and LRHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances LRHA must process interim reexaminations to reflect those changes. HUD regulations also permit LRHA to conduct interim reexaminations of income or family composition at any time.

In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition changes. LRHA must complete the interim reexamination within a reasonable time after the family's request.

Interim reexaminations can be scheduled either because LRHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. When a family reports a change, LRHA may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so.

LRHA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

When a family reports a change in family income and/or composition which the family was required to make, LRHA will only verify the information for the family member(s) for whom the change was reported. LRHA will not reverify income/expense information for other family members.

Generally, LRHA will collect interim information and process interim reexamination via mail or email; however, as needed, LRHA may request that the participant attend an interview to complete an interim reexamination.

16.14 REQUIRED INTERIM REEXAMINATIONS

The following are interim changes which families are required to report and for which LRHA will complete an interim reexamination and redetermine rent.

- Changes in family composition;
- Increase in any type of income for any member of a family reporting zero income or reporting only temporary or sporadic family;
- As applicable, the start and conclusion of the 24-month Earned Income Disallowance period;
- Increase in any type of income for any member of a family on minimum rent or on a financial hardship exemption from minimum rent.

16.14.1 Changes in Family and Household Composition

The family is required to report all changes in family composition within seven (7) business days from the date of the change. LRHA will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

New Family Members Not Requiring Approval

The family must inform LRHA of the birth, adoption, or court-awarded custody of a child within seven (7) business days.

New Family and Household Members Requiring Approval

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, families must request LRHA approval to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 30 consecutive days or 90 cumulative days within a 12-month period and therefore no longer qualifies as a “guest.” Requests must be made in writing and approved by LRHA prior to the individual moving into the unit.

LRHA will not approve the addition of a family member outside of birth, adoption, court-ordered custody, marriage, interdependent relationship and live-in aide if such addition results in a larger voucher size. Additionally, LRHA will not approve the addition of a new family or household member unless the individual meets LRHA’s eligibility criteria and documentation requirements.

LRHA will not approve the addition of a foster child or foster adult if it will cause a violation of LRHA subsidy standards.

If LRHA approves the addition of a family or household member, LRHA will provide written approval to the family. If the new family member or live-in aide will cause overcrowding according to HUD’s HQS standards, the approval letter will explain that the family will be issued a voucher and will be required to move.

If LRHA determines that an individual does not meet LRHA’s eligibility criteria or documentation requirements, LRHA will timely notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

A household member is not a member of the family, nor is an original member who has been designated as permanently absent..

Departure of a Family or Household Member

Families must promptly notify LRHA if any family member no longer lives in the unit. Because household members are considered when determining the family unit (voucher) size, LRHA also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit.

If a family member or household member ceases to reside in the unit, the family must inform LRHA within seven (7) business days. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

Return of Permanently Absent Family Member

The family must request LRHA approval for the return of any adult family members that LRHA previously determined to be permanently absent. The individual is subject to LRHA’s eligibility and screening requirements and LRHA policies on changes in household composition.

16.14.2 Zero Income/Minimum Rent Interim Reexamination

When an entire family reports zero income or is at minimum rent, any family member who obtains any type of income is required to report the change between regular reexaminations. Once income is reported, the family is not required to report additional increases in income until the next annual reexamination.

Increases in income for zero income/minimum rent families must be reported to LRHA within seven (7) business days of the change. LRHA will process an interim reexamination and adjust rent when income is reported for a zero income/minimum rent household. As applicable, see the policies on verification for [Zero Income Households](#) in the Verification chapter.

Households where only SNAP benefits are reported will be considered zero income households.

Where an adult family member receives zero income, but other family members report income, LRHA does not require the zero income family member to report increases in income between regular reexaminations.

16.15 OPTIONAL INTERIMS

The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination. LRHA will process the request if the family reports a change that will result in a reduced family income.

If a family reports a change that it was not required to report and that would result in an *increase* in the family share of the rent, LRHA will not conduct an interim reexamination.

If a family reports a change that it was not required to report and that would result in a *decrease* in the family share of rent, LRHA will conduct an interim reexamination.

16.15.1 Decrease in Income/Increase in Expenses

A *decrease in income* is any reduction in household income that is expected to last 30 days or longer.

An *increase in expenses* is any increase in allowable expense deductions that is expected to last 30 days or longer.

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced. For more information regarding the requirement to impute welfare income see [ANNUAL INCOME](#).

16.16 PROCESSING THE INTERIM REEXAMINATION

The family must notify LRHA of changes in writing, including the required supporting documentation within seven (7) business days of the change.

The family may be required to attend an interview for an interim reexamination. However, LRHA may determine that an interview is not warranted.

Based on the type of change reported, LRHA will determine the documentation the family will be required to submit. The family must submit any supporting documentation of the change within seven (7) business days. Failure to submit the required documentation may impact the interim effective date. This time frame may be extended for good cause with LRHA approval. LRHA will accept required documentation by mail, email, fax, or in-person.

16.17 EFFECTIVE DATES FOR INTERIM RENT CHANGES

16.17.1 Interim Rent Increases

An increase in family share of the rent at the time of an interim reexamination will generally be effective on the first of the month following 30 days' notice to the household.

If a family fails to report a change within the required time frames, or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the first of the month following when the increase occurred. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement (see [REPAYMENT AGREEMENTS](#)).

16.17.2 Interim Rent Decreases

A decrease in family share of the rent at the time of an interim reexamination will be effective on the first day of the month following the month in which the change was reported and all required documentation was submitted. In cases where the change cannot be verified, through no fault of the tenant, until after the date the change would have become effective, the change will be made retroactively. If a household fails to report a decrease in income timely, LRHA will not apply the decrease in rent retroactively.

16.18 RECALCULATING FAMILY SHARE AND SUBSIDY AMOUNT

After gathering and verifying required information for an annual or interim reexamination, LRHA will recalculate the family share of the rent and the subsidy amount, and notify the family and owner of the changes.

16.19 APPLYING PAYMENT STANDARDS AT REEXAMINATION

At regular reexaminations, LRHA will apply the payment standard which is the lower of the authorized voucher size or unit size. LRHA will not adjust the payment standard at interim reexamination. See policies on [APPLYING PAYMENT STANDARDS](#) in the chapter on Payment Standards and Utility Allowances.

16.20 APPLYING SUBSIDY STANDARDS AT REEXAMINATION

If there is a change in the family unit size that would apply to a family during the HAP contract term, either due to a change in family composition, or a change in LRHA's subsidy standards, the new family unit size must be used to determine the payment standard amount for the family at the family's *first regular reexamination* following the change in family size. See policies on [DETERMINING FAMILY UNIT \(VOUCHER\) SIZE](#).

16.21 APPLYING UTILITY ALLOWANCES AT REEXAMINATION

The family share of the rent and HAP calculations must reflect any changes in the family's utility arrangement with the owner, or in LRHA's utility allowance schedule.

When there are changes in the utility arrangement with the owner, LRHA will use the utility allowances in effect at the time the new lease and HAP contract are executed.

At reexamination, LRHA will use the current LRHA utility allowance schedule.

For an interim reexamination, LRHA will apply the utility allowance in effect at the last regular reexamination.

Revised utility allowances will be applied to a family's rent and subsidy calculations at the first regular reexamination after the allowance is adopted. See policies on [UTILITY ALLOWANCES](#) in the chapter on Payment Standards and Utility Allowances.

16.22 NOTIFICATION OF NEW FAMILY SHARE AND HAP AMOUNT

LRHA will notify the owner and family of any changes in the amount of the HAP payment. The notice will include the following information:

- Effective date of the change;
- HAP payment amount;
- Family share of the rent;
- Tenant rent to owner;
- Contract rent amount; and
- UAP (where applicable).

16.23 NOTICE TO INELIGIBLE HOUSEHOLDS

LRHA will provide prompt written notice of a decision that the household has been determined to be ineligible for continued program participation. The written notice will contain a statement of the reason for the ineligible decision. The notice will include information related to requesting an informal hearing in the event that the tenant does not agree with the determination.

16.24 DISCREPANCIES

During an annual or interim reexamination, LRHA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information resulting in the over/under payment of subsidy. LRHA will make corrections to the rent when previously reported information has been found to be incorrect.

16.25 ABSENCE FROM THE UNIT

The family must supply any information or certification requested by LRHA to verify that the family is living in the unit, or relating to family absence from the unit, including any LRHA-requested information or certification on the purposes of family absences. LRHA may review on a case-by-case basis, circumstances which dictate a household's absence from the unit.

Absence for the purpose of this section, means that no member of the family is residing in the unit for a period of more than 180 consecutive days. The family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason.

Each household member must physically occupy the leased unit as their principal place of residence, and not be absent for 180 consecutive days during any 12-month period unless good cause is shown for a longer absence. Good cause for extended absences include, but is not limited to:

- Involuntary absence due to illness;
- Absence of a household member who is a full-time student;
- Children temporarily away due to placement in foster care; or
- Military service (see policy on [Military Families – Absence from the Unit and Continued Occupancy](#)).

The head of household must notify LRHA and remove any household member from the lease who is absent from the apartment without cause for more than 180 consecutive days.

- Extended absence for more than 180 consecutive days during any 12-month period due to incarceration is not considered good cause.
- To verify family occupancy or absence, LRHA may send request letters to the family at the unit, make phone calls or visits, send emails, schedule special inspections, and/or conduct other appropriate inquiries.
- The family must remain in compliance with the terms of the HCV program and their assisted lease during any absence from the unit.
- LRHA will consider mitigating circumstances when determining good cause for an extended absence.

16.25.1 Military Families – Absence from the Unit and Continued Occupancy

[PIH Notice 2003-5](#) encourages PHAs and private owners to be as lenient as responsibly possible to support military families. In accordance with this Notice, on a case by case basis, LRHA will make reasonable exceptions to program requirements for active duty military families, to the extent LRHA can do so while responsibly administering the HCV program.

These exceptions will be granted at LRHA's sole discretion, and should be primarily granted with respect to program requirements impacted by household members who are temporarily absent from the assisted unit due to their active duty.

Exceptions must be approved by the Executive Director or their designee. Households who cannot adhere to basic program requirements without the active military person present will not be granted exceptions.

Exceptions related to military families may include, but are not limited to:

- Allowing a suitable guardian to move into the assisted unit on a temporary basis to care for any dependents that the military person leaves in the unit. Income of the guardian temporarily living in the unit solely for this purpose is not to be counted in determining household income and rent;
- Carefully considering the circumstances of any case involving delayed payment of rent by the household;
- Granting exceptions to the Administrative Plan policies concerning family absences from the unit to continue HAPs to the owner on behalf of the military family even though all members of the family are temporarily absent from the assisted unit;
- Using provisional documents and income information to complete a reexamination and then conducting an interim reexamination when the military personnel's information is available.

16.26 FAMILY BREAK-UP AND REMAINING MEMBERS

In cases where a participant family breaks up, LRHA policy dictates which member(s) of the family is/are eligible for continued participation. Families who separate while being assisted will be assessed on a case-by-case basis to determine which family members remain assisted under the program.

When notified of a situation whereby a family is breaking up, LRHA will request written statements from both sides regarding the requested disposition of the voucher. If there is no dispute between the parties, LRHA will re-issue the voucher as requested by the family. If there is a dispute regarding the disposition of the subsidy, LRHA will rely on any court decree concerning the disposition of the voucher.

Where there is no court decree, participant families who separate while being assisted under the tenant-based programs will be assessed on a case-by-case basis to determine which family members remain assisted under the program. LRHA policy is as follows:

- The head of household, co-head or remaining family member of the household who has full legal custody of any minor children in the unit will retain the use of the tenant-based voucher.
- LRHA may allow a guardian or caretaker to temporarily reside in the unit. If the guardian or caretaker applies to become the new head of household, they must meet the eligibility requirements as set forth in this plan. LRHA will allow a temporary guardian or caretaker to remain in the unit for up to 90 days.
- In cases where the head of household and co-head have a joint custody arrangement for minor children, the original head of household will retain the use of the tenant-based voucher.
- In cases where the head of household dies, leaving minor children, the new head of household will be subject to all LRHA eligibility and admission requirements.
- In cases where there is a head of household and a co-head with no minor children, the original head of household will retain the use of the tenant-based voucher, unless another consideration listed here is a factor.
- In the event that the head of household moves out of the assisted unit or dies, a remaining adult household member (with or without children in the unit) may retain use of the tenant-based voucher if that adult has been part of the household since admission or if they were added to the household, have lived in the unit for at least 6 months after approval by LRHA to do so; are in compliance with all program rules and regulations; and meet all other program eligibility and continued occupancy requirements.
- In cases where a live-in aide is added to a household as a result of a care situation for an elderly or disabled household member, the live-in aide is not considered to be a remaining family member and is not eligible to retain the use of the tenant-based voucher.
- Foster children and foster adults are never considered remaining family members and have no rights to the voucher or unit when and if the head of household or co-head moves out of the unit, is evicted or is deceased.
- If a separation is the result of a divorce or separation under a settlement or judicial decree, LRHA will follow any court determination of which family members keep the voucher assistance.
- In order for a minor to continue to receive assistance as a remaining family member, the court has to have awarded emancipated minor status to the minor or LRHA has to verify that Social Services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period of time.
- If the family break-up results from an occurrence of domestic violence, dating violence, sexual assault, or stalking, LRHA will ensure that the victim remains on the program.
- For any family members who are elderly or disabled, LRHA will take into consideration where they will reside after the break-up.
- If exceptional circumstances exist concerning the remaining member of a tenant family, a discretionary administrative determination may be made by the HCV program designee on a case-by-case basis.

LRHA may deny head of household status if there was either an action to terminate the participation of the former head of household, or there was an eviction action by the owner begun prior to the former head of household's departure. For example, if the former head of household is arrested for drug possession and LRHA moved to terminate participation or the owner terminates the tenancy, following which, the head of household moves out. LRHA may decide not to accept a new head of household and continue with the action to terminate participation.

16.27 GUESTS AND UNAUTHORIZED OCCUPANTS

See policy on [Guests](#) in Chapter 5.

Participant households are not permitted to allow roomers or boarders to occupy their unit, or to sublet their unit. Violation of this provision is grounds for termination of participation.

Persons not on the lease who represent the unit address as their residence address for receipt of benefits or other purposes will be considered unauthorized occupants. In addition, guests who remain in the unit beyond the allowable time limit will be considered unauthorized occupants, and their presence represents a violation of program requirements.

CHAPTER 17: MOVING WITH CONTINUED ASSISTANCE

17.1 INTRODUCTION

Freedom of housing choice is a hallmark of the housing choice voucher (HCV) program. In general, HUD regulations impose few restrictions on where families may live or move with HCV assistance. This chapter sets forth HUD regulations and LRHA policies governing moves within LRHA's jurisdiction.

17.2 ALLOWABLE MOVES

LRHA will allow families to move under the following circumstances:

- **Family Termination:** The family has a right to terminate the lease on notice to the owner (for the owner's breach or otherwise). The family must give the owner a notice of termination in accordance with the lease. If the family terminates the lease on notice to the owner, the family must give LRHA a copy of the notice at the same time.
- **Family and Owner Mutual Termination:** If the family and the owner mutually agree to terminate the lease for the family's unit, the family must give LRHA a copy of the termination agreement.
- **Owner Notice to Vacate:** The owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family. The family must give LRHA a copy of any owner eviction notice.
- **VAWA:** The family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health or safety of the family or family member. See [VIOLENCE AGAINST WOMEN ACT PROTECTIONS](#).
- **LRHA Termination Due to Owner Breach:** LRHA has terminated the assisted lease for the family's unit for the owner's breach, including owner breach due to HQS violations.
- **Move Due to Unit Size:** LRHA determines that the family's current unit does not meet the HQS space standards because of an increase in family size or a change in family composition. In such cases, LRHA will issue the family a new voucher, and the family try to find an acceptable unit as soon as possible. If an acceptable unit is available for the family, LRHA will terminate the HAP contract for the family's old unit in accordance with the HAP contract terms and will notify both the family and the owner of the termination. The HAP contract terminates at the end of the calendar month that follows the calendar month in which LRHA gives notice to the owner.

17.3 RESTRICTIONS ON MOVES

LRHA restricts or denies moves under the circumstances outlined below.

17.3.1 Insufficient Funding

LRHA may deny a family permission to move either within or outside its jurisdiction if LRHA does not have sufficient funding for continued assistance. LRHA will follow regulatory requirements related to restrictions on moves due to insufficient funding. LRHA will inform the family of its policy regarding moves denied due to insufficient funding in a letter to the family at the time the move is denied.

LRHA may deny a request to move due to insufficient funding if all of the following applies:

1. The move is to a higher cost unit (for moves within LRHA's jurisdiction).

2. The receiving PHA is **not** absorbing the voucher (applicable only to portability moves; see [PORTABILITY OVERVIEW](#)).
3. LRHA would be unable to avoid termination of current participants during the calendar year in order to remain within its budgetary allocation for housing assistance payments.

If LRHA approves a family's request to move and then subsequently experiences a funding shortfall, LRHA may only rescind the voucher if the family would be allowed to remain in its current unit. If the family cannot remain in the unit (e.g., family has already vacated the unit or family has already notified the owner of their intent to vacate and the owner has re-let the unit to another family) LRHA will not rescind the voucher. The family must be allowed to lease a new unit.

LRHA will **not** deny a move for families moving within LRHA's jurisdiction (even if the new unit is a higher cost unit) if the family must move from their current unit (e.g., the unit failed HQS, the owner failed to renew the lease).

LRHA will create a list of families whose moves have been denied due to insufficient funding. LRHA will keep the family's request open indefinitely, and when funds become available, the families on this list will take precedence over families on the waiting list. LRHA will use the same procedures for notifying families with open requests to move when funds become available as it uses for notifying families on the waiting list.

17.3.2 Pending Termination of Assistance

LRHA may deny a family permission to move if it has grounds for terminating the family's assistance.

17.3.3 Moves During the Initial Lease Term

LRHA will deny a family permission to make an elective move during the family's initial lease term. This policy applies to moves within LRHA's jurisdiction or outside it under portability. Exceptions to this policy include moves related to VAWA, reasonable accommodation and/or HQS violations

17.3.4 Moves within a 12-Month Period

LRHA will deny a family permission to make more than one elective move during any 12-month period. This policy applies to all assisted families residing in LRHA's jurisdiction.

LRHA will consider exceptions to these policies for the following reasons, including but not limited to:

- Protect the health or safety of a family member (e.g., lead-based paint hazards, domestic violence, witness protection programs);
- Accommodate a change in family circumstances (i.e., new employment, school attendance in a distant area);
- Address an emergency situation over which a family has no control (i.e., foreclosure of the rental unit);
- Reasonable accommodation of a family member who is a person with disabilities.

17.4 MOVING PROCESS

17.4.1 Request to Move

If a family wishes to move to a new unit, the family must notify LRHA and the owner in writing before moving out of the old unit or terminating the lease on notice to the owner.

If the family wishes to move to a unit outside LRHA's jurisdiction, see [PORTABILITY](#).

17.4.2 Approval

Upon receipt of a family's notification that it wishes to move, LRHA will determine whether the move is approvable in accordance with the regulations and policies set forth in in this Plan. LRHA will timely notify the family in writing of its determination.

17.4.1 Reexamination of Family Income and Composition

For families approved to move to a new unit within LRHA's jurisdiction, LRHA will perform a new annual reexamination. The new reexamination effective date will be consistent with the anniversary month of the new lease. LRHA will not reverify family information if the last regular reexamination was effective within 120 days from the date of the request to move.

17.4.2 Voucher Issuance and Briefing

For families approved to move to a new unit within LRHA's jurisdiction, LRHA will issue a new voucher when the move is approved. At LRHA's discretion, no briefing may be required for these families. If a family does not locate a new unit within the term of the voucher and any extensions, the family may remain in its current unit with continued voucher assistance if the owner agrees and LRHA approves. Otherwise, the family will lose its assistance.

17.5 UNIT NOT READY ON SCHEDULED VACATE DATE

If the participant family's new unit is not available at the time of the scheduled vacate date from the current unit, the family may submit a written request signed by both owner and tenant to remain in their current unit with HCV assistance for a period not to exceed one month. For further extensions, additional written requests will be required.

17.6 FAMILY OPTS NOT TO MOVE

If the participant elects **not** to vacate their current unit, the participant must provide to LRHA a written agreement signed by both owner and tenant to reinstate the lease and HAP Contract. The written agreement to reinstate the tenancy must be submitted to LRHA prior to the expiration date of the voucher.

17.7 HOUSING ASSISTANCE PAYMENTS

When a family moves out of an assisted unit, LRHA may not make any housing assistance payment to the owner for any month **after** the month the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

17.8 ZERO HAP FAMILIES WHO WISH TO MOVE

A participant who is not receiving any subsidy, but whose HAP contract is still in force, may request a voucher to move to a different unit. However, if no subsidy will be paid at the unit to which the family requests to move, LRHA will not enter into a HAP contract on behalf of the family for the new unit.

CHAPTER 18: PORTABILITY

18.1 PORTABILITY OVERVIEW

Within the limitations of applicable requirements included in this plan, a participant family or an applicant family that has been issued a voucher has the right to use tenant-based voucher assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a public housing authority (PHA) administering a tenant-based voucher program.

The term *portability* refers to the process of leasing a dwelling unit with tenant-based voucher assistance outside of the jurisdiction of the PHA that initially issues the family its voucher (the initial PHA). Program regulations covering where a family may move and the responsibilities of the initial PHA and the receiving PHA (the PHA with jurisdiction over the area to which the family moves) are found federal regulations at [24 CFR 982.353](#) through [982.355](#).

- Where port-outs are concerned, LRHA is the initial PHA.
- Where port-ins are concerned, LRHA is the receiving PHA.

The receiving PHA has two options:

- **Administering the family's voucher for the initial PHA.** Under this option, the receiving PHA bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher; or
- **Absorbing the family into its own program.** Under this option, the receiving PHA pays for the family's assistance out of its own program funds, and the initial PHA has no further relationship with the family.

18.2 PORT-OUTS

A *port-out* is when a current LRHA voucher holder wants to move outside of LRHA's area of operation.

18.2.1 Receiving PHA Role

If a family has a right to lease a unit in the receiving PHA's jurisdiction under portability, the receiving PHA must provide assistance for the family.

The receiving PHA's procedures and preferences for selection among eligible applicants do not apply, and the receiving PHA's waiting list is not used. However, the family's unit, or voucher, size is determined in accordance with the subsidy standards of the receiving PHA and the amount of the family's housing assistance payment is determined in the same manner as for other families in the receiving PHA's voucher program.

18.2.2 Applicant Families

An applicant family may lease a unit in a particular area under portability only if the family is income eligible for admission to the voucher program in that area. The family must specify the area to which the family wishes to move.

LRHA is responsible for determining whether the family is income eligible in the area to which the family wishes to move. If the applicant family is not income eligible in that area, LRHA will inform the family that it may not move there and receive voucher assistance.

Families may port out immediately upon issuance of their voucher.

Income Eligibility

LRHA will determine whether the family is income eligible in the area to which the family wishes to move. If the applicant family is not income eligible in that area, LRHA will inform the family that it may not move there and receive voucher assistance.

In determining whether or not to deny an applicant family permission to move under portability because LRHA lacks sufficient funding or has grounds for denying assistance to the family, LRHA will follow the policies established on [Insufficient Funding](#) in the Chapter on Moves.

18.2.3 Participant Families

LRHA will not provide portable assistance for a participant if a family has moved out of its assisted unit in violation of the lease. A family, however, is exempt from this prohibition if the family has moved to protect the health or safety of an individual in the family who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if they remained in the unit. See [VIOLENCE AGAINST WOMEN ACT PROTECTIONS](#).

LRHA will determine whether a participant family may move out of its jurisdiction with continued assistance in accordance with the regulations and policies set forth here and in [ALLOWABLE MOVES](#) and will notify the family accordingly.

Income Eligibility

LRHA will not redetermine income eligibility when a participant family ports out of its jurisdiction.

18.2.4 Reexamination of Household Income and Composition at Port-Out

A new reexamination of family income and composition is not required for a participant family who is approved to move out of LRHA's jurisdiction under portability. However, for a participant family approved to move out of LRHA's jurisdiction under portability, LRHA generally will conduct a reexamination of family income and composition if the family's regular reexamination is due within 120 days of the date of request to port out.

LRHA will make any exceptions to this policy necessary to remain in compliance with HUD regulations.

18.2.5 Briefing

No formal briefing will be required for a tenant family wishing to move outside of LRHA's jurisdiction under portability. However, LRHA will provide the family with the same oral explanation of portability that it provides to applicant households selected for admission to the program.

LRHA will provide the name, address, and phone of the contact for the PHA(s) in the jurisdiction to which they wish to move. If there is more than one PHA with jurisdiction over the area to which the family wishes to move, LRHA will advise the family that the family:

- Selects the receiving PHA, and
- Must notify LRHA of which receiving PHA was selected.

LRHA will further inform the family that if the family prefers not to select the receiving PHA, LRHA will select the receiving PHA on behalf of the family. In this case, LRHA will not provide the family with information for all receiving PHAs in the area.

LRHA will advise the family that they will be under the receiving PHA's policies and procedures, including screening, subsidy standards, voucher extension policies, and payment standards.

18.2.6 Voucher Issuance and Term

An applicant family has no right to portability until after the family has been issued a voucher. In issuing vouchers to applicant households, LRHA will follow the policies set forth in this Plan.

When a current participant decides to move outside LRHA's area of operation, LRHA will issue a new voucher to the family. The initial term of the port-out voucher will be 60 days.

18.2.7 Voucher Extensions and Suspensions

At its discretion, LRHA may also opt to extend a voucher under the following circumstances:

- The initial term of the voucher will expire before the portable family will be issued a voucher by the receiving PHA;
- The family decides to return to LRHA's jurisdiction and search for a unit; or
- The family decides to search for a unit in a third PHA's jurisdiction.

In the cases above, LRHA's policies on voucher extension and suspensions will apply, including the requirement that the family apply for an extension in writing prior to the expiration of the initial voucher term. See policies on [VOUCHER ISSUANCE](#).

Once the receiving PHA issues the family a voucher, the receiving PHA's policies on extensions of the voucher term apply. The receiving PHA must notify LRHA of any extensions granted to the term of the voucher; however, LRHA must determine if LRHA will extend the billing submission deadline.

18.2.8 Preapproval Contact with the Receiving PHA

Prior to approving a family's request to move under portability, LRHA will contact the receiving PHA via email or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the family's voucher.

If the receiving PHA notifies LRHA that it will absorb the voucher, the receiving PHA may not reverse its decision at a later date without LRHA's consent.

If the receiving PHA will bill LRHA for the portability voucher and the cost of the HAP will increase due to the move, LRHA may deny the move if it does not have sufficient funding for continued assistance in accordance with the regulatory requirements.

18.2.9 Initial Contact with the Receiving PHA

After approving a family's request to move under portability, LRHA must promptly notify the receiving PHA via email or other confirmed delivery method to expect the family. LRHA will advise the family that they must promptly contact the receiving PHA in order to be informed of and comply with the receiving PHA's procedures for incoming portable households.

18.2.10 Sending Documentation to the Receiving PHA

LRHA will send the receiving PHA the following documents:

1. Form HUD-52665, Family Portability Information, with Part I filled out;
2. A copy of the family's voucher;
3. A copy of the family's most recent form HUD-50058, Family Report, or, if necessary in the case of an applicant family, family and income information in a format similar to that of form HUD-50058;
4. Copies of the income verifications backing up the form HUD-50058, including a copy of the family's current EIV data.

In addition to these documents, LRHA will provide the following information, if available, to the receiving PHA:

- Social Security numbers (SSNs);
- Documentation of SSNs for all nonexempt household members whose SSNs have not been verified through the EIV system;
- Documentation of legal identity;
- Documentation of citizenship or eligible immigration status;
- Documentation of participation in the earned income disallowance (EID) benefit;
- Documentation of participation in a family self-sufficiency (FSS) program.

LRHA will notify the family in writing regarding any information provided to the receiving PHA.

18.2.11 Initial Billing Deadline

If LRHA has not received an initial billing notice from the receiving PHA by the deadline specified on form HUD-52665 (90 days from the expiration date of the initial PHA's voucher), LRHA will contact the receiving PHA. If the receiving PHA reports that the family is not yet under HAP contract, LRHA will inform the receiving PHA whether it will honor a late billing submission. LRHA will send the receiving PHA a written confirmation of its decision.

LRHA will honor a late billing submission if the family includes a person with disabilities and the late billing is a result of a reasonable accommodation granted to the family by the receiving PHA.

18.2.12 Monthly Billing Payments

If the receiving PHA is administering the family's voucher, the receiving PHA bills LRHA for housing assistance payments and administrative fees. When reimbursing for administrative fees, LRHA must promptly reimburse the receiving PHA for the lesser of 80 percent of LRHA's ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under contract on the first day of the month for which the receiving PHA is billing LRHA under portability. If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill.

LRHA is responsible for making billing payments in a timely manner. The first billing amount is due within 30 calendar days after LRHA receives Part II of form HUD-52665 from the receiving PHA. Subsequent payments must be **received** by the receiving PHA no later than the fifth business day of each month. The payments must be provided in a form and manner that the receiving PHA is able and willing to accept.

LRHA may not terminate or delay making payments under existing portability billing arrangements as a result of over-leasing or funding shortfalls. LRHA must manage its tenant-based program in a manner that ensures that it has the financial ability to provide assistance for families that move out of its jurisdiction under portability and are not absorbed by receiving PHAs, as well as for families that remain within its jurisdiction.

18.2.13 Change in Billing Amount

The receiving PHA is required to notify LRHA, using form HUD-52665, of any change in the billing amount for the family as a result of:

- A change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.);
- An abatement or subsequent resumption of the HAP payments;
- Termination of the HAP contract;
- Payment of a damage/vacancy loss claim for the family; or
- Termination of the family from the program.

The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide LRHA with advance notice of the change. Under no circumstances should the notification be later than 10 business days following the effective date of the change in the billing amount.

18.2.14 Regular Reexamination for Administered Port-Outs

The receiving PHA must send to LRHA a copy of a portable family's updated form HUD-50058 after each regular reexamination for the duration of time the receiving PHA is billing LRHA on behalf of the family, regardless of whether there is a change in the billing amount. The reexamination and updated billing are due to LRHA within 10 business days of the reexamination effective date.

If LRHA is being billed on behalf of a portable family, and LRHA fails to receive an updated 50058 by the family's regular reexamination date, LRHA will contact the receiving PHA to verify the status of the family. LRHA will continue paying the receiving PHA based on the last form HUD-50058 received, unless instructed otherwise by HUD. LRHA may seek absorption of the vouchers by following steps outlined by HUD.

18.2.15 Denial or Termination of Assistance

If LRHA has grounds for denying or terminating assistance for a portable family that has not been absorbed by the receiving PHA, LRHA may act on those grounds at any time.

18.2.16 Subsequent Household Moves

If a receiving PHA is administering a LRHA voucher and the family subsequently decides to move out of the receiving PHA's jurisdiction, LRHA will issue the family a voucher to move and will send form HUD-52665 and supporting documentation to the new receiving PHA.

18.3 PORT-INS

A port-in is when a participant has a voucher issued from another PHA and has found a unit to lease in LRHA's jurisdiction. When a family ports-in and uses a voucher to lease a unit in LRHA's jurisdiction, LRHA's payment standards will apply.

18.3.1 Receiving PHA's Role

If a family has a right to lease a unit in LRHA's jurisdiction under portability, LRHA must provide assistance for the family. HUD may determine in certain instances that LRHA is not required to accept incoming portable families, such as if LRHA is in a declared disaster area. However, LRHA must have approval in writing from HUD before refusing any incoming portable families.

Administration of the voucher must be in accordance with LRHA's policies. LRHA procedures and preferences for selection among eligible applicants do not apply to the family, and the LRHA waiting list is not used. The family's unit, or voucher, size is determined in accordance with LRHA's subsidy standards, and LRHA's policies on extensions of the voucher term apply.

18.3.2 Responding to Initial PHA's Request

LRHA will promptly notify the initial PHA whether it will administer or absorb the family's voucher. If LRHA informs the initial PHA that it will absorb the voucher, LRHA cannot reverse its decision at a later date without the consent of the initial PHA.

18.3.3 Initial Contact with Family

When a family moves into LRHA's jurisdiction under portability, the family is responsible for promptly contacting LRHA and complying with LRHA's procedures for incoming portable families. The family's failure to comply may result in denial or termination of LRHA's voucher.

If the voucher issued to the family by the initial PHA has expired, LRHA will not process the family's paperwork and will refer the family back to the initial PHA. An informal hearing is not required when a voucher has expired without the family leasing a unit.

If for any reason LRHA refuses to process or provide assistance to a family under the portability procedures, the family will be given the opportunity for an informal review or hearing.

18.3.4 Briefing

At its discretion, LRHA may require port-in families to attend a briefing. LRHA will provide the family with a briefing packet and inform the family about LRHA's payment and subsidy standards, procedures for requesting approval of a unit, the unit inspection process, and the leasing process.

18.3.5 Criminal Background Checks

LRHA will conduct a criminal background and sex offender registry check on all adult family members who are porting into LRHA's jurisdiction. LRHA will follow its policies on screening to guide determinations related to criminal background and sex offender registration screening.

18.3.6 Income Eligibility and Reexamination

For any family moving into its jurisdiction under portability, LRHA will conduct a new reexamination of family income and composition. LRHA will not delay issuing the family a voucher for this reason, nor will LRHA delay approving a unit for the family until the reexamination process is complete unless the family is an applicant and LRHA cannot otherwise confirm that the family is income-eligible for admission to the program in the area where the unit is located.

In conducting its own reexamination, LRHA will rely upon any verifications provided by the initial PHA to the extent that they:

- Accurately reflect the family's current circumstances, and

- Were obtained within the last 120 days.

Any new information may be verified by documents provided by the family and adjusted, if necessary, when verification is received.

18.3.7 Voucher Issuance

When a family moves into its jurisdiction under portability, LRHA will issue the family a voucher within two weeks based on the paperwork received, provided:

- The family's paperwork from the initial PHA is complete,
- The family's voucher from the initial PHA has not expired, and
- The family complies ~~does not comply~~ with LRHA's procedures.

18.3.8 Voucher Term

If the initial PHA's voucher expires before LRHA issues the portable family a voucher, LRHA will contact the initial PHA to determine if it will extend the voucher term. LRHA will not issue a voucher to the portable family if the initial PHA voucher term is expired and no extension is authorized by the initial PHA.

Under no circumstances will the term of LRHA's voucher expire before 30 calendar days from the expiration date of the initial PHA voucher term. For example, if the initial PHA voucher term expires on 7/12/21, LRHA's voucher term, as the receiving PHA, will not expire before 8/12/21.

18.3.9 Voucher Extensions

Once LRHA issues a voucher to the port-in household, LRHA's policies on [Extensions of Voucher Term](#) apply. LRHA will notify the initial PHA in writing of any extension granted and request an extension to the billing submission deadline. If the initial PHA will not grant an extension to the billing submission deadline, LRHA must:

- Intend to absorb the family into its own program, or
- Ensure the expiration date would leave sufficient time to process a Request for Tenancy Approval, execute a HAP contract, and deliver the initial billing to the initial PHA by the deadline.

LRHA will also consider giving an extension as a reasonable accommodation for a person with a disability.

18.3.10 Voucher Suspensions

If the family submits a Request for Tenancy Approval (RFTA) during the term of LRHA's voucher, LRHA will suspend the term of that voucher. The term of the voucher stops from the date that the family submits a RFTA until the date LRHA notifies the family in writing whether the request has been approved or denied. If the suspension of the term of the voucher will delay the initial billing submission, LRHA will notify the initial PHA of the delayed billing in writing before the billing deadline and document that the delay is due to the suspension of the voucher term. If LRHA meets these requirements, the initial PHA must extend the billing deadline by 30 days; however, if the initial PHA has not received the portability form within the new 30-day deadline, the initial billing is late, and LRHA may be required to absorb the voucher if the initial PHA is unwilling to accept the late submission.

18.3.11 Notifying the Initial PHA

LRHA will promptly notify the initial PHA if the family has leased an eligible unit under the program or if the family fails to submit a RFTA for an eligible unit within the term of LRHA's voucher. LRHA will use Part II of form HUD-52665, Family Portability Information, for this purpose.

If an incoming portable family ultimately decides not to lease in LRHA's jurisdiction but instead wishes to return to the initial PHA's jurisdiction or to search in another jurisdiction, LRHA will refer the family back to the initial PHA. In such a case, the voucher of record for the family is once again the voucher originally issued by the initial PHA. Any extension of search time provided by LRHA's voucher is only valid for the family's search in LRHA's jurisdiction.

18.3.12 Initial Billing Deadline

If a portable family's search for a unit is successful and LRHA intends to administer the family's voucher, LRHA's initial billing notice (Part II of form HUD-52665) will be completed and mailed so that it is **received** by the initial PHA no later than **90 days** following the expiration of the initial PHA's voucher. A copy of the family's form HUD-50058, Family Report, completed by LRHA will be attached to the initial billing notice.

If LRHA fails to send the initial billing by the deadline, it is required to absorb the family into its own program unless:

1. The initial PHA is willing to accept the late submission; or
2. HUD requires the initial PHA to honor the late submission (e.g., because LRHA is over-leased).

18.3.13 Billing Procedure

If administering the port-in voucher, LRHA will bill the initial PHA once a month for Housing Assistance Payments (HAPs). The billing cycle for other amounts, including administrative fees and special claims will be once a month. LRHA will bill 100 percent of the HAP and the lesser of 80 percent of the initial PHA prorated column B administrative fee rate or 100 percent of LRHA's prorated column B administrative fee rate for each unit under HAP contract on the first day of the month for which LRHA is billing the initial PHA. Additionally, as provided by HUD, LRHA will prorate administrative fees in accordance with any HUD prorations.

LRHA will notify the initial PHA of changes in subsidy amounts within 10 business days of any change in the monthly payment.

LRHA will update Administrative Fees when and if HUD revises the fees and/or related prorations.

Unless the LRHA negotiates a different amount of reimbursement with the initial PHA, the LRHA will bill the initial PHA the maximum amount of administrative fees allowed, ensuring any administrative fee proration has been properly applied.

18.3.14 Regular Reexamination

LRHA will send the initial PHA a copy of a portable family's updated form HUD-50058 after each regular reexamination for the duration of time the LRHA is billing the initial PHA on behalf of the family, regardless of whether there is a change in the billing amount.

18.3.15 Change in Billing Amount

LRHA will notify the initial PHA, using form HUD-52665, of any change in the billing amount for the family as a result of:

- A change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.)

- An abatement or subsequent resumption of the HAP payments;
- Termination of the HAP contract;
- Payment of a damage/vacancy loss claim for the family; and/or
- Termination of the family from the program.

The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide the initial PHA with advance notice of the change. Under no circumstances should the notification be later than 10 business days following the effective date of the change in the billing amount.

If LRHA fails to send Form HUD-52665 within 10 business days of effective date of billing changes, the initial PHA is not responsible for any increase prior to notification. If the change resulted in a decrease in the monthly billing amount, the initial PHA will offset future monthly payments until the difference is reconciled.

18.3.16 Late Payments

If the initial PHA fails to make a monthly payment for a portable family by the fifth business day of the month, LRHA will promptly notify the initial PHA in writing (and in accordance with HUD requirements) of the deficiency. LRHA will send a copy of the notification to the Office of Public Housing (OPH) in the HUD area office with jurisdiction over the receiving PHA.

If the initial PHA fails to correct the problem by the second month following the notification, LRHA may request by memorandum to the director of the OPH with jurisdiction over the receiving PHA that HUD transfer the voucher in question. A copy of the initial notification and any subsequent correspondence between PHAs on the matter must be attached. LRHA will send a copy of the memorandum to the initial PHA. If the OPH decides to grant the transfer, the billing arrangement on behalf of the family ceases with the transfer, but the initial PHA is still responsible for any outstanding payments due to LRHA.

18.3.17 Overpayments

In all cases where LRHA has received billing payments for billing arrangements no longer in effect, LRHA is responsible for returning the full amount of the overpayment (including the portion provided for administrative fees) to the initial PHA.

18.3.18 Denial or Termination of Assistance

At any time, LRHA may make a determination to deny or terminate assistance to a portable family for family action or inaction consistent with the denial and termination policies in this Plan.

If LRHA elects to deny or terminate assistance for a portable family, LRHA will notify the initial PHA within 10 business days after the informal review or hearing if the denial or termination is upheld. LRHA will furnish the initial PHA with a copy of the review or hearing decision, where applicable.

18.3.19 Absorbing a Portable Family

LRHA may absorb an incoming portable family into its own program when LRHA executes a HAP contract on behalf of the family or at any time thereafter providing that:

1. LRHA has funding available under its annual contributions contract (ACC), and
2. Absorbing the family will not result in over leasing.

If LRHA notifies the initial PHA that it will absorb the voucher, it cannot reverse its decision at a later date without consent of the initial PHA.

If LRHA decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, LRHA will notify the initial PHA upon receipt of the portability paperwork. The effective date of the HAP contract will be the effective date of the absorption.

If LRHA decides to absorb a family after administering the voucher, LRHA will provide the initial PHA with 30 days advance notice, but no later than 10 business days following the effective date of the termination of the billing arrangement.

When a portable family is absorbed by LRHA, the family will be subject to LRHA policies.

18.4 SPECIAL PURPOSE VOUCHERS AND PORTABILITY

LRHA will administer special purpose vouchers (i.e., VASH vouchers) in accordance with HUD-established policy in cases where HUD has established alternative program requirements of such special purpose vouchers. For example, under VASH, LRHA will follow the VASH screening requirements when a VASH family ports to LRHA.

LRHA will use the codes for the special purpose vouchers on the 50058 and continue to use such codes while LRHA is administering a portable voucher.

CHAPTER 19: TERMINATION

19.1 INTRODUCTION

This chapter includes the policies on termination of assistance. It includes the reasons for which LRHA can terminate assistance, and the ways in which such terminations must take place.

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a lease,
- Terminating housing assistance payments (HAP) under an outstanding HAP contract, and
- Refusing to process or provide assistance under portability procedures.

19.2 FAMILY CHOOSES TO TERMINATE ASSISTANCE

The family may choose to terminate their participation at any time. The request must be in writing with the effective date and signed by the head of household and spouse or co-head if applicable.

19.3 MANDATORY TERMINATION OF ASSISTANCE

LRHA will terminate assistance in the circumstances outlined below. As applicable, LRHA will use the [Criteria for Terminations](#) and [CHARTS OF OFFENSES – DENIAL & TERMINATION](#) in the Appendix, as a guide to determine the number of years which must have elapsed for specific convictions in order to determine grounds for termination of assistance (related to criminal activity) at any time after admission to the HCV program.

- **Zero HAP.** If the amount of assistance provided by LRHA is reduced to zero, the family's assistance terminates automatically 180 days after the last HAP payment. If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify LRHA of the change and request an interim reexamination before the expiration of the 180-day period.
- **Eviction.** LRHA will terminate participation whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease.
 - A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not the physical enforcement was necessary.
 - If a family moves after the owner has given the family an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. In such cases LRHA will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take any of the alternative measures. In making its decision, LRHA will consider the factors described in [CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE](#). Upon consideration of such factors, LRHA may, on a case-by-case basis, choose not to terminate assistance.
 - *Serious and repeated lease violations* will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests. Incidents of actual or threatened domestic violence, dating violence, sexual

assault or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim.

- **Failure to Provide Consent.** LRHA will terminate assistance if any family member fails to sign and submit any consent form that they are required to sign for a reexamination. See the section on [FAMILY CONSENT TO RELEASE INFORMATION](#) for a complete discussion of consent requirements.
- **Failure to Document Citizenship.** LRHA will terminate assistance if:
 - A family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status;
 - A family submits evidence of citizenship and eligible immigration status in a timely manner, but the United States Citizenship and Immigration Services' (USCIS) primary and secondary verification do not verify eligible immigration status of the family; or
 - A family member, as determined by LRHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. Such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated.
- **Failure to Disclose and Document Social Security Numbers.** LRHA will terminate assistance if any household member fails to disclose the complete and accurate Social Security numbers of each household member and the documentation necessary to verify each Social Security number.

LRHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

See [SOCIAL SECURITY NUMBERS](#) for additional information on providing SSNs.

- **Methamphetamine Manufacture or Production.** LRHA will terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.
- **Lifetime Registered Sex Offenders.** Should LRHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, LRHA will immediately terminate assistance for the household member.

In this situation, LRHA will offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, LRHA will terminate assistance for the household.

For admissions before June 25, 2001, there is currently no HUD statutory or regulatory basis to evict or terminate the assistance of the family solely on the basis of a household member's sex offender registration status.

- **Failure of Students to Meet Ongoing Eligibility Requirements.** If a student (see [STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION](#)) enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have dependent children, is not residing with their parents in an HCV assisted household, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, LRHA will terminate the student's assistance

if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and LRHA policies, or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

- **Death of the Sole Family Member.** LRHA will immediately terminate program assistance for deceased sole family member. This includes sole family member households that have a live-in aide, as live-in aides are not considered family members, and have no rights as remaining family members.

19.3.1 Additional Reasons for Termination of Assistance

LRHA will terminate participation under the following circumstances, but will consider mitigating circumstances before determining whether to do so.

- **Use of Illegal Drugs and Alcohol Abuse.** LRHA will terminate a family's assistance if any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

LRHA will terminate assistance if any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

- *Currently engaged in* is defined as any use of illegal drugs during the previous six months.
- LRHA will consider all credible evidence, including but not limited to, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol. However, a record or records of arrest(s) will not be used as the sole basis for the termination or proof that the participant engaged in disqualifying criminal activity.
- In making its decision to terminate assistance, LRHA will consider alternatives as described in **CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE**. Upon consideration of such alternatives and factors, LRHA may, on a case-by-case basis, choose not to terminate assistance.
- **Drug-Related and Violent Criminal Activity.** LRHA will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program.
 - *Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).
 - *Drug-related criminal activity* is defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.
 - *Violent criminal activity* means any 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.
 - LRHA will consider all credible evidence, including but not limited to, any record of arrests and/or convictions of household members related to drug-related or violent criminal activity, and any eviction or notice to evict based on drug-related or violent criminal activity.

However, a record or records of arrest(s) will not be used as the sole basis for the termination or proof that the participant engaged in disqualifying criminal activity.

- In making its decision to terminate assistance, LRHA will consider alternatives as described in **CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE**. Upon consideration of such alternatives and factors, LRHA may, on a case-by-case basis, choose not to terminate assistance.
- **Failure to Comply with Family Obligations.** LRHA's family obligations include household members, guests, and other persons under the tenant's control, and thus LRHA may ~~will~~ terminate assistance to families in which a household member, guest, or a person under the tenant's control has violated the family's program obligations. Failure to comply with obligations include but are not limited to:
 - Failure to provide LRHA with accurate and complete information;
 - Failure to cooperate with any LRHA process;
 - Failure to attend scheduled appointments;
 - Failure to maintain utilities that the participant is responsible for;
 - Allowing additional unauthorized individuals to reside in an assisted unit;
 - Intentionally misrepresenting or having had intentionally misrepresented information related to eligibility, preference for admission, housing history, allowances, household composition, or rent;
 - Failure to cooperate with or allow an HQS inspection;
 - Failure to keep the unit in a clean and safe condition, and/or failure to dispose of all garbage, rubbish and other waste in a sanitary and safe manner. LRHA considers a unit unclean and/or unsafe if it contains fire or other hazards or clutter in the dwelling unit or on the premises. Hazards include flammables, gas, naphtha or solvents, or inoperable appliances or heating, cooling, plumbing or electrical equipment, and others.
- **Fraud, Bribery, or Any Other Corrupt or Criminal Act.** LRHA will terminate a family's participation if any household member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal program.
- **Failure to Repay Monies Owed.** LRHA will terminate a household's participation for breaching the terms of a repayment agreement with LRHA. LRHA will also terminate a family's participation for the following reasons:
 - Any adult member of a household currently owes money to LRHA, any other housing authority, or owner of state or federally assisted housing and has not paid the debt in full or is not current on any repayment agreement.
 - The family has not reimbursed any housing authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other enforceable amounts owed by the family under the lease.
- **Eviction.** LRHA will terminate a family's participation if any family member has been evicted from federally assisted housing in the last five years.

- **Abusive or Violent Behavior towards LRHA Personnel.** LRHA will terminate a family's participation if a family member has engaged in or threatened violent or abusive behavior toward LRHA personnel.
 - *Abusive or violent behavior towards LRHA personnel* includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.
 - *Threatening* refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
- **Family Absence from the Unit:** If the family is absent from the unit for more than 180 consecutive calendar days in a 12-month period, LRHA will terminate assistance for the family.

Upon consideration of alternatives and factors, LRHA may, on a case-by-case basis, choose not to terminate assistance.

LRHA may terminate participation under the following circumstances:

- **Insufficient Funding.** LRHA may terminate HAP contracts if LRHA determines, in accordance with HUD requirements, that funding under the Annual Contributions Contract is insufficient to support continued assistance for families in the program. In such a case, LRHA will determine if any other actions can be taken to reduce program costs.

In the event that LRHA decides to stop issuing vouchers as a result of a funding shortfall, and LRHA is not assisting the required number of special purpose vouchers (i.e., Mainstream) when LRHA resumes issuing vouchers, LRHA will issue vouchers first to the special purpose voucher families on its waiting list until it has reached the required number of special purpose vouchers, when applicable.

If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, LRHA will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, LRHA will inform the local HUD field office. LRHA will terminate the minimum number needed in order to reduce HAP costs to a level within LRHA's annual budget authority.

If LRHA will terminate HAP contracts due to insufficient funding, LRHA will do so in accordance with the following criteria:

- Families comprising the required number of special purpose vouchers (i.e., Mainstream), will be the last to be terminated.
- LRHA will review HAP contracts to determine families that are paying more than 80 percent of the rent to owner. LRHA will rank those families from highest family rent to owner to lowest family rent to owner. LRHA will begin to terminate the families with the highest family rent to owner and continue down the list until LRHA has reached an adequate number of terminations to reduce HAP costs to the level of LRHA's annual budget authority.

19.4 CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE

19.4.1 Evidence - Terminations

LRHA will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

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

19.4.2 Use of Criminal Conviction Records after Admission

The regulation at 24 CFR 5.903 governs LRHA's access to and use of criminal conviction records obtained from a *law enforcement agency* such as the National Crime Information Center (NCIC), police departments, and other law enforcement agencies that hold criminal conviction records.

While LRHA has regulatory authority to use criminal conviction records for the purpose of applicant screening for admission, there is no corresponding authority to use these records to check for criminal and illegal drug activity by participants, and therefore, LRHA may not use records for this purpose.

However, is no prohibition that bars LRHA from using non-federal sources to conduct criminal background checks of program participants.

19.4.3 Consideration of Circumstances - Terminations

LRHA will consider the following facts and circumstances when making its decision to terminate assistance:

- The seriousness of the case, especially with respect to how it would affect other residents' safety or property;
- The effects that termination of assistance may have on other members of the family who were not involved in the action or failure to act;
- The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or a victim of domestic violence, dating violence, sexual assault, or stalking;
- The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as the family's recent rent history, and the likelihood of favorable conduct in the future;
- While a record or records of arrest(s) will not solely be used as the basis for termination, an arrest may, however, trigger an investigation to determine whether the participant actually engaged in disqualifying criminal activity. As part of its investigation, LRHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. LRHA may also consider:
 - Any statements made by witnesses or the participant not included in the police report;
 - Whether criminal charges were filed;
 - Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal;
 - Any other evidence relevant to determining whether or not the participant engaged in disqualifying activity.

Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property.

Additionally, the following will be considered:

- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully. LRHA will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug and alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully;
- In the case of program abuse, the dollar amount of overpaid assistance and whether or not a false certification was signed by the family.

19.4.4 Reasonable Accommodations

If the family includes a person with disabilities, LRHA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation.

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, LRHA will determine whether the behavior is related to the disability. If so, upon the family's request, LRHA may approve alternative measures that are appropriate as a reasonable accommodation. LRHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance.

19.4.5 Terminations Related to Domestic Violence, Dating Violence, Sexual Assault, and Stalking

For policies concerning terminations related to domestic violence, dating violence, sexual assault, or stalking, see:

- [Prohibition against Termination of Assistance Related to Domestic Violence, Dating Violence, Sexual Assault and Stalking](#), and
- [Terminating Tenancy of a Domestic Violence Offender](#).

19.4.6 Alternatives to Termination of Assistance

Change in Household Composition

As a condition of continued assistance, LRHA may require that any household member who participated in or was responsible for an offense no longer reside in the unit.

If such a condition is required, the head of household must certify that the culpable household member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former household member's current address on LRHA request.

Repayment of Family Debts

If a family owes amounts to LRHA, as a condition of continued assistance, LRHA will require the household to repay the full amount and may enter into a repayment agreement, within 30 days of receiving notice from LRHA of the amount owed. See the section on [REPAYMENT AGREEMENTS](#) for LRHA's repayment agreement policies.

19.5 TERMINATION NOTICE

If a family's assistance is to be terminated, LRHA must give the family written notice that specifies:

1. The reasons for which assistance has been terminated;

2. The effective date of the termination;
3. The family's right to an informal hearing as described in **INFORMAL HEARINGS – PARTICIPANTS**;
4. Notification of rights under VAWA;
 - LRHA will also provide with the termination notice the form HUD-5382 and form HUD-5380;
 - LRHA will request in writing that a family member wishing to claim protection under VAWA provide documentation support the claim in accordance with the policies in this Plan (see **VIOLENCE AGAINST WOMEN ACT PROTECTIONS**).
5. If a criminal record is the basis of a family's termination, LRHA will provide a copy of the record to the head of household and the subject of the record so that they have an opportunity to dispute the accuracy and relevance of the record.
6. If immigration status is the basis of a family's termination, see requirements listed under **Notice of Denial or Termination of Assistance**.

When LRHA notifies an owner that a family's assistance will be terminated, LRHA will, if appropriate, advise the owner of their right to offer the family a separate, unassisted lease.

19.5.1 Reinstatement after Termination of Assistance

LRHA may reinstate a family who was terminated and who did not request a hearing within the required time frame if the termination is confirmed to be a wrongful termination; however reinstatement will be honored only up to one year after the effective date of the termination.

19.6 TERMINATION OF TENANCY BY THE OWNER

Termination of an assisted tenancy is a matter between the owner and the family; LRHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy. Termination of tenancy for certain reasons will also result in termination of assistance as discussed in this chapter.

During the term of the lease, the owner is not permitted to terminate the tenancy except for:

- Serious or repeated violations of the lease,
- Violations of federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and premises;
- Criminal activity or alcohol abuse; or
- Other good cause.

19.6.1 Serious or Repeated Violations of the Lease

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, except when the incidents are covered under VAWA. This includes failure to pay rent or other amounts due under the lease. However, LRHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

19.6.2 Violation of Federal, State, or Local Law

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

19.6.3 Criminal Activity or Alcohol Abuse

The owner may terminate tenancy during the term of the lease if any *covered person*, meaning any member of the household, a guest, or another person under the tenant's control commits any of the following types of criminal activity:

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by other residents, including property management staff residing on the premises;
- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premise;
- Any violent criminal activity on or near the premises; or
- Any drug-related criminal activity on or near the premises.

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or
- Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. This is the case except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, sexual assault, or stalking, and the tenant or an affiliated individual is the victim or threatened victim of the domestic violence, dating violence, sexual assault, or stalking.

19.6.4 Other Good Cause

During the initial lease term, the owner may not terminate the tenancy for *other good cause* unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, *other good cause* may include:

- The disturbance of neighbors,
- Destruction of property, or
- Living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, *other good cause* for termination of tenancy by the owner may include:

- Failure by the family to accept the offer of a new lease or revision;

- The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent).

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

If a property is subject to foreclosure, during the term of the lease, the new owner of the property does not have good cause to terminate the tenant's lease, unless the new owner will occupy the unit as their primary residence and has provided the tenant with at least a 90-day notice. In that case, the lease may be terminated effective on the date of sale, although the tenant is still entitled to a 90-day notice to vacate.

19.6.5 Eviction

The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give LRHA a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give LRHA a copy of any eviction notice.

If the eviction action is finalized in court, the owner must provide LRHA with the related documentation no later than five business days following the court-ordered eviction.

19.6.6 Deciding Whether to Terminate Tenancy

An owner who has grounds to terminate a tenancy is not required to do so, and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action;
- The seriousness of the offending action;
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy;
- The extent of participation by the leaseholder in the offending action;
- The effect of termination of tenancy on household members not involved in the offending activity;
- The demand for assisted housing by families who will adhere to lease responsibilities;
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully. For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions, including VAWA.

19.6.7 Effect of Termination of Tenancy on the Family's Assistance

If an owner termination is not due to a serious or repeated violation of the lease, and if LRHA has no other grounds for termination of assistance, LRHA may issue a new voucher so that the family can move with continued assistance.

CHAPTER 20: INFORMAL REVIEWS AND HEARINGS

20.1 OVERVIEW

Both applicants and participants have the right to disagree with, and appeal, certain decisions of LRHA that may adversely affect them. LRHA decisions that may be appealed by applicants and participants are discussed in this section. The process for applicant appeals of LRHA decisions is called the *informal review*. For participants (or applicants denied admission because of citizenship issues), the appeal process is called an *informal hearing*.

20.2 INFORMAL REVIEWS – APPLICANTS

An informal review is available to program applicants. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program.

20.2.1 Decisions Subject to Informal Review

LRHA must give an applicant the opportunity for an informal review of a decision denying assistance. Denial of assistance may include any or all of the following:

- Denying listing on an open LRHA HCV waitlist;
- Denying or withdrawing a voucher;
- Refusing to enter into a HAP contract or approve a lease;
- Refusing to process or provide assistance under portability in accordance with HUD regulations, (i.e., when there are inadequate funds available to provide assistance);
- A determination to deny assistance based on an unfavorable history that may be the result of domestic violence, dating violence, sexual assault, or stalking (see [Prohibition against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault and Stalking](#)).

20.2.2 Decisions Not Subject to Informal Review

An applicant is not given the opportunity of an informal review in the following situations:

- Discretionary administrative determinations by LRHA;
- General policy issues or class grievances;
- A determination of the family unit size (voucher size) under LRHA' subsidy standards;
- A LRHA determination not to approve an extension or suspension of the voucher term;
- A LRHA determination not to grant approval of the tenancy (i.e., the unit is too expensive based on the applicant's reported income, the rent is not reasonable, or the owner's history with LRHA requires a denial);
- A LRHA determination that the unit does not meet HQS;
- A LRHA determination that the unit does not meet HQS based on family size or composition.

20.2.3 Scheduling an Informal Review

A request for an informal review must be made in writing and delivered to LRHA in person or by first class mail, fax, or email with confirmation of receipt by LRHA, within seven (7) business days of the date of denial.

Upon receipt of the written request for a review, the complainant will be notified, in writing, of the date, time and location of the review.

If the family does not appear within 20 minutes of the scheduled time, and was unable to reschedule the review in advance due to the nature of the conflict, LRHA will reschedule the informal review.

If the family does not appear within 20 minutes of the second scheduled time, and was unable to reschedule the review in advance due to the nature of the conflict, the family must contact LRHA within 24 hours of the scheduled informal review date, excluding weekends and holidays. The review will be rescheduled only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities. If the family cannot show good cause for the failure to appear, or a rescheduling is not needed as a reasonable accommodation, LRHA's decision will stand.

If the informal review will be conducted remotely, at the time LRHA notifies the family of the informal review, the family will be informed:

- Regarding the processes to conduct a remote informal review;
- That, if needed, LRHA will provide technical assistance prior to and during the informal review; and
- That if the family or any individual witness has any technological, resource, or accessibility barriers preventing them from fully accessing the remote informal review, the family may inform LRHA and LRHA will assist the family in either resolving the issues or allow the family to participate in an in-person informal review, as appropriate.

20.2.4 Informal Review Procedures

The informal review will be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

The applicant will be provided an opportunity to present written or oral objections to LRHA's decision.

20.2.5 Remote Informal Reviews

HUD allows LRHA to conduct all or a portion of its informal reviews remotely either over the phone, via video conferences, or through other virtual platforms. If LRHA chooses to conduct remote informal reviews, applicants may still request an in-person informal review, as applicable.

LRHA has the sole discretion to require that informal reviews be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster.

Additionally, LRHA will conduct an informal review remotely upon request of the applicant as a reasonable accommodation for a person with a disability, if an applicant does not have child care or transportation that would enable them to attend the informal review, or if the applicant believes an in-person informal review would create an undue health risk. LRHA will consider other reasonable requests for a remote informal review on a case-by-case basis.

As with in-person informal reviews, LRHA must provide all materials presented, whether paper or electronic, to the family prior to the remote informal review. The family must also be provided with an accessible means by which to transmit their own evidence.

20.2.6 Ensuring Accessibility for Persons with Disabilities and LEP Individuals

As with in-person informal reviews, the platform for conducting remote informal reviews must be accessible to persons with disabilities and the informal review must be conducted in accordance with Section 504 and accessibility requirements. This includes ensuring any information, websites, emails, digital notifications, and other virtual platforms are accessible for persons with vision, hearing, and other disabilities.

LRHA may never request or require that individuals with disabilities provide their own auxiliary aids or services, including for remote informal hearings.

If no method of conducting a remote informal review is available that appropriately accommodates an individual's disability, LRHA may not hold against the individual his or her inability to participate in the remote informal review, and LRHA should consider whether postponing the remote informal review to a later date is appropriate or whether there is a suitable alternative.

Due to the individualized nature of disability, the appropriate auxiliary aid or service necessary, or reasonable accommodation, will depend on the specific circumstances and requirements.

As with in-person reviews, Limited English Proficiency (LEP) requirements also apply to remote informal reviews, including the use of interpretation services and document translation.

20.2.7 Informal Review Decision

In deciding the informal review, LRHA will evaluate the following issues:

- Whether or not the grounds for the denial were stated factually in the notice to the family.
- The validity of the grounds for denial of assistance. If the grounds for denial are not specified in the regulations and/or this Administrative Plan, then the decision to deny assistance will be overturned.
- The validity of the evidence; LRHA will evaluate whether the facts presented prove the grounds for denial of assistance.
 - If the facts prove that there are grounds for denial, and the denial is required by HUD, LRHA will uphold the decision to deny assistance.
 - If the facts prove the grounds for denial, and the denial is discretionary, LRHA will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance.

LRHA will timely notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be mailed timely to the applicant and their representative, if any, along with proof of mailing.

If the decision to deny is overturned as a result of the informal review, processing for admission will resume.

If the family fails to appear for their informal review, the denial of admission will stand and the family will be so notified.

20.3 INFORMAL HEARINGS – PARTICIPANTS

LRHA will offer an informal hearing for certain LRHA determinations relating to the individual circumstances of a participant family. A participant is defined as a family that has been admitted to the LRHA's HCV program and is currently assisted in the program. The purpose of the informal hearing is to consider whether

LRHA's decisions related to the family's circumstances are in accordance with the law, HUD regulations and LRHA policies.

LRHA is not permitted to terminate a family's assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed.

20.3.1 Decisions Subject to Informal Hearing

Circumstances for which LRHA must give a participant family an opportunity for an informal hearing are as follows:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment;
- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the LRHA utility allowance schedule;
- A determination of the family unit size (voucher size) under LRHA's subsidy standards;
- A determination to terminate assistance for a participant family because of the family's actions or failure to act;
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under LRHA policy and HUD rules;
- A determination to terminate a family's Family Self Sufficiency contract, withhold supportive services, or propose forfeiture of the family's escrow account;
- A determination to terminate assistance based on an unfavorable history that may be the result of domestic violence, dating violence, sexual assault, or stalking (see [Prohibition against Termination of Assistance Related to Domestic Violence, Dating Violence, Sexual Assault and Stalking](#));
- A determination to deny a reasonable accommodation request;
- A determination to deny a hardship waiver from the minimum rent requirement.

20.3.2 Decisions Not Subject to Informal Hearing

Circumstances for which an informal hearing is not required are as follows:

- Discretionary administrative determinations by LRHA;
- General policy issues or class grievances;
- Establishment of the LRHA schedule of utility allowances for families in the program;
- A LRHA determination not to approve an extension or suspension of a voucher term;
- A LRHA determination not to approve a unit or tenancy;
- A LRHA determination that a unit selected by the family is not in compliance with the HQS;
- A LRHA determination that the unit is not in accordance with HQS because of family size;

- A determination by LRHA to exercise or not to exercise any right or remedy against an owner under a HAP contract.

20.3.3 Notice to the Family

When LRHA makes a decision that is subject to informal hearing procedures, LRHA will inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size (voucher size), LRHA will notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision.

For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to LRHA's subsidy standards, the notice must contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

20.3.4 Scheduling an Informal Hearing

A request for an informal hearing must be made in writing and delivered to LRHA either in person, by fax, email, or by first class mail, by the close of the business day, no later than seven (7) business days from the date of LRHA's decision or notice to terminate assistance.

LRHA will schedule and send timely written notice of the informal hearing to the family. A copy of the procedures governing the hearing will be included with the written notification.

If the participant does not request a hearing in accordance with LRHA's procedures, LRHA's determination will become final.

If the hearing will be conducted remotely, at the time the notice is sent to the family, the family will be notified:

- Regarding the processes involved in a remote informal hearing;
- That LRHA will provide technical assistance prior to and during the informal hearing, if needed; and
- That if the family or any individual witness has any technological, resource, or accessibility barriers, the family may inform LRHA and LRHA will assist the family in either resolving the issue or allow the family to participate in an in-person hearing, as appropriate.

The family may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. *Good cause* is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, LRHA may request documentation of the *good cause* prior to rescheduling the hearing.

If the family does not appear within 20 minutes of the scheduled time, LRHA will reschedule the hearing.

If the family does not appear within 20 minutes of the second scheduled time, and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact LRHA within 24 hours of the scheduled hearing date, excluding weekends and holidays. LRHA will reschedule the hearing only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities. If the family cannot show good cause for the failure to appear, or a rescheduling is not needed as a reasonable accommodation, LRHA's decision will stand.

20.3.5 Remote Informal Hearings

HUD allows LRHA to conduct all or a portion of its informal hearings remotely either over the phone, via video conferences, or through other virtual platforms. If LRHA chooses to conduct remote informal hearings, participants may still request an in-person informal hearing, as applicable.

LRHA has the sole discretion to require that informal hearings be conducted remotely in case of local, state, or national physical distancing orders, and in cases of inclement weather or natural disaster.

Additionally, LRHA will conduct an informal hearing remotely upon request of the participant as a reasonable accommodation for a person with a disability, if a participant does not have child care or transportation that would enable them to attend the informal hearing, or if the participant believes an in-person informal hearing would create an undue health risk. LRHA will consider other reasonable requests for a remote informal hearing on a case-by-case basis.

As with in-person informal hearings, LRHA will provide all materials presented, whether paper or electronic, to the family prior to the remote informal hearing. The family will also be provided with an accessible means by which to transmit their own evidence.

20.3.6 Pre-Hearing Right to Discovery

Participants and LRHA are permitted pre-hearing discovery rights. The family must be given the opportunity to examine before the hearing any LRHA documents that are directly relevant to the hearing. The family must be allowed to copy any such documents at their own expense. If LRHA does not make the document available for examination on request of the family, LRHA may not rely on the document at the hearing. The family must request discovery of LRHA documents no later than three business days prior to the scheduled hearing date.

LRHA will be given the opportunity to examine at LRHA offices before the hearing, any family documents that are directly relevant to the hearing. LRHA will be allowed to copy any such document at LRHA expense. If the family does not make the document available for examination on request of LRHA, the family may not rely on the document at the hearing. The documentation must be provided to the HCV offices no later than three business days prior to the scheduled hearing date. The participant must provide the department with the names, addresses and relationship of any person that will be attending the hearing on their behalf; prior to the hearing, or they will **not** be allowed to attend the informal hearing. The names, address and relationship of attendees **must** also be provided to the HCV offices no later than three business days prior to the hearing.

If the informal hearing is to be conducted remotely, LRHA will require the family to provide any documents directly relevant to the informal hearing at least three business days before the scheduled hearing through the mail, via email, or text. LRHA will scan and email copies of these documents to the hearing officer and the LRHA representative timely.

Documents will be shared electronically whenever possible.

For the purpose of informal hearings, *documents* include records and regulations.

20.3.7 Participant's Right to Bring Counsel

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

20.3.8 Informal Hearing Officer

Informal hearings will be conducted by a person or persons approved by LRHA, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

20.3.9 Attendance at the Informal Hearing

Hearings may be attended by a hearing officer and the following applicable persons:

- A LRHA representative and any witnesses for LRHA;
- The participant and any witnesses for the participant;
- The participant's counsel or other representative; and
- Any other person approved by LRHA as a reasonable accommodation for a person with a disability or as an interpreter for a person with limited English proficiency (see LRHA's Language Access Plan).

20.3.10 Conduct at Hearings

The person who conducts the hearing may regulate the conduct of the hearing in accordance with LRHA's hearing procedures.

The hearing officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer.

Participation of attendees will be restricted to providing statements of facts only.

Either party may make a record of the proceedings at that party's own expense. The participant or LRHA will make any record available to the other party for that party's purchase. Neither party is required to create or provide a written transcript of the hearing record.

20.3.11 Evidence

LRHA and the family must be given the opportunity to present evidence and question any witnesses. In general, all evidence is admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. LRHA defines five categories of evidence:

- **Oral Evidence:** The testimony of witnesses;
- **Documentary Evidence:** A writing which is relevant to the case, for example, a letter written to LRHA. Writings include all forms of recorded communication or representation, including letters, words, pictures, sounds, videotapes or symbols or combinations thereof;
- **Demonstrative Evidence:** Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart, or other diagram;
- **Real Evidence:** A tangible item relating directly to the case;
- **Hearsay Evidence:** Evidence based not on a witness' personal knowledge. In and of itself, hearsay evidence carries no weight when making a finding of fact. The hearing officer may include hearsay evidence when considering their decision if it is corroborated by other evidence. Even though hearsay evidence is generally admissible in a hearing, the hearing officer will not base a hearing

decision on hearsay alone unless there is clear probative value and credibility of the evidence, and the party seeking the change has met the burden of proof.

If either LRHA or the family fail to comply with the discovery requirements described above, the hearing officer will refuse to admit such evidence.

Other than the failure of a party to comply with discovery, the hearing officer has the authority to overrule any objections to evidence.

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of the LRHA will take effect and another hearing will not be granted.

20.3.12 Hearing Officer's Decision

The person who conducts the hearing will issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing.

In rendering a decision, the hearing officer will consider the following:

- **LRHA Notice to the Family:** The hearing officer will determine if the reasons for LRHA's decision are factually stated in the notice.
- **Discovery:** The hearing officer will determine if LRHA and the family were given the opportunity to examine any relevant documents in accordance with LRHA policy.
- **LRHA Evidence to Support LRHA Decision:** The evidence consists of the facts presented. Evidence is not conclusion and it is not argument. The hearing officer will evaluate the facts to determine if they support LRHA's conclusion.
- **Validity of Grounds for Termination of Assistance (when applicable):** The hearing officer will determine if the termination of assistance is for one of the grounds specified in the HUD regulations and LRHA policies. If the grounds for termination are not specified in the regulations or in compliance with LRHA policies, then the decision of LRHA will be overturned.

The hearing officer will issue a timely written decision to the family and LRHA after the hearing. The report will contain information on the hearing, summary of evidence, findings of fact, conclusions and whether or not LRHA's decision will be upheld or overturned.

20.3.13 Issuance of Decision

A copy of the hearing will be furnished promptly to the family. The hearing officer will mail a "Notice of Hearing Decision" to LRHA and to the participant. This notice will be sent by first-class mail. The participant will be mailed the original "Notice of Hearing Decision" and a copy of the proof of mailing. A copy of the "Notice of Hearing Decision" will be maintained in LRHA's file.

20.3.14 Effect of Decision

LRHA is not bound by the hearing officer's decision for matters in which LRHA is not required to provide an opportunity for a hearing, decisions that exceed the authority of the hearing officer, decisions that conflict with or contradict HUD regulations, requirements, or are otherwise contrary to federal, state or local laws.

If LRHA determines it is not bound by the hearing officer's decision in accordance with HUD regulations, LRHA will promptly notify the family of the determination and the reason for the determination. In such a

case, LRHA will mail a “Notice of Final Decision” to the participant and their representative, if requested. This Notice will be sent by first-class mail. The participant will be mailed the original “Notice of Final Decision.” A copy of the “Notice of Final Decision” along with the original proof of mailing will be maintained in LRHA’s file.

20.4 HEARINGS AND APPEALS FOR NONCITIZENS

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review.

Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated or denied while the LRHA hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or the LRHA informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

20.4.1 Notice of Denial or Termination of Assistance

The notice of denial or termination of assistance for non-citizens must advise the family:

- That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance;
- The family may be eligible for proration of assistance;
- In the case of a participant, the criteria and procedures for obtaining relief fund the provisions for preservation of families;
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal;
- That the family has a right to request an informal hearing with LRHA either upon completion of the USCIS appeal or in lieu of the USCIS appeal;
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

20.4.2 USCIS Appeal Process

When LRHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, LRHA will notify the family of the results of the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide LRHA with a copy of the written request for appeal and the proof of mailing.

LRHA will notify the family in writing of the results of the USCIS secondary verification within 10 business days of receiving the results.

The family must provide LRHA with a copy of the written request for appeal and proof of mailing within 10 business days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to LRHA, of its decision. When the USCIS notifies LRHA of the decision, LRHA will notify the family of its right to request an informal hearing.

LRHA will send written notice to the family of its right to request an informal hearing within 10 business days of receiving notice of the USCIS decision regarding the family's immigration status.

20.4.3 Informal Hearing Procedures for Applicants Based on Citizenship

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that LRHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the LRHA notice of denial or termination, or within 30 days of receipt of the USCIS appeal decision.

20.4.4 Informal Hearing Officer

LRHA will provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision.

20.4.5 Evidence – Citizenship Appeals

The family must be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of LRHA pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

The family will be allowed to copy any documents related to the hearing. The family must request discovery of LRHA documents no later than 12:00 p.m. on the business day prior to the hearing.

The family will be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family will also be provided the opportunity to refute evidence relied upon by LRHA, and to confront and cross-examine all witnesses on whose testimony or information the LRHA relies.

20.4.6 Representation and Interpretive Services

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to request an interpreter. Upon request, LRHA will provide competent interpretation services, free of charge.

20.4.7 Recording and Transcript

The family is entitled to have the hearing recorded. LRHA may, but is not required to provide a transcript of the hearing.

20.4.8 Hearing Decision

LRHA will provide the family with a written final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The final decision notice must state the basis for the decision.

A decision against a family member does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

20.4.9 Informal Hearing Procedures for Participants Based on Citizenship

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that LRHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the LRHA notice of termination, or within 30 days of receipt of the USCIS appeal decision.

For the informal hearing procedures that apply to participant families whose assistance is being terminated based on immigration status, see [INFORMAL HEARINGS – PARTICIPANTS](#).

A decision against a family member does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

20.4.10 Retention of Documents

LRHA will retain for a minimum of five years the following documents that may have been submitted to LRHA by the family, or provided to LRHA as part of the USCIS appeal or the LRHA informal hearing process:

- The application for assistance;
- The form completed by the family for income reexamination;
- Photocopies of any original documents, including original USCIS documents;
- The signed verification consent form;
- The USCIS verification results;
- The request for an USCIS appeal;
- The final USCIS determination;
- The request for an informal hearing;
- The final informal hearing decision.

CHAPTER 21: PROJECT-BASED VOUCHERS

21.1 GENERAL REQUIREMENTS

The Project-Based Voucher (PBV) program allows Public Housing Authorities (PHAs) that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to use up to 20 percent of its authorized units and attach the funding to specific units rather than using it for tenant-based assistance. PHAs may only operate a PBV program if doing so is consistent with the PHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities.

21.1.1 Size of Project-Based Voucher Program

LRHA will operate a project-based voucher program using up to 20 percent of its authorized ACC units for project-based assistance. LRHA may attach PBV assistance to existing housing, newly constructed or rehabilitated housing.

LRHA may project-base an additional 10 percent of its authorized ACC units above the 20 percent program limit. The units may be distributed among one, all, or a combination of the categories listed below as long as the total number of units does not exceed the 10 percent cap. Units qualify under this exception if the units:

- Are specifically made available to house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR 578.3;
- Are specifically made available to house families that are comprised of or include a veteran;
- Provide supportive housing to persons with disabilities or elderly persons as defined in 24 CFR 5.403;
- Are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year Estimates.

Only units that are under a HAP contract that was first executed on or after April 18, 2017, may be covered by the 10 percent exception.

PBV units under the RAD program and HUD-VASH PBV set-aside vouchers do not count toward the 20 percent limitation when PBV assistance is attached to them.

21.1.2 Applicability of Tenant-Based Voucher Regulations

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, LRHA's policies for the tenant-based voucher program contained in this Administrative Plan also apply to the PBV program and its participants. The provisions of the tenant-based voucher program that do not apply to the PBV program are described at 24 CFR 983.2.

21.1.3 Relocation Assistance

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) [42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24. [24 CFR 983.7] The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B.

21.1.4 Equal Opportunity

LRHA will comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, LRHA will comply with the PHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

21.2 PBV OWNER PROPOSALS

21.2.1 Overview

Before selecting a PBV proposal, LRHA will determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing, complies with the cap on the number of PBV units per project, and meets the site selection standards.

21.2.2 Owner Proposal Selection

LRHA may select PBV proposals by either of the following two methods.

- **Request for PBV Proposals.** LRHA may solicit proposals by using a request for proposals to select proposals on a competitive basis. LRHA shall not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
- **Proposals that were previously selected based on a competition.** This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance. Under these circumstances, LRHA shall not conduct another competition.

21.2.3 Public Housing Units Selected Non-Competitively

LRHA may attach PBVs to projects in which LRHA has an ownership interest or has control of, without following a competitive process, in cases where LRHA is engaged in an initiative to improve, develop, or replace a public housing property or site. If LRHA plans rehabilitation or new construction, a minimum threshold of \$25,000 per unit in hard costs is required. If LRHA plans to replace public housing by attaching project-based assistance to existing housing in which LRHA has an ownership interest or over which LRHA has control, the minimum threshold does not apply provided that the existing housing substantially complies with HUD housing quality standards. *Substantially complies with HUD's housing quality standards* means that the housing does not have any life-threatening violations as described in the Administrative Plan above.

The units selected under this section must be eligible for PBV assistance in accordance with 24 CFR 983.53, and the selection of the units must satisfy all other applicable statutory and regulatory requirements of the PBV program. LRHA shall detail the work it plans to do on the public housing property or site as well as how many units it plans to project-base at the property or site through the annual and/or five-year plan process.

Pursuant to this section and HUD PIH Notice 2017-21, LRHA may project-base vouchers without following a competitive process in connection with any LRHA plans to replace public housing developments. Where applicable, LRHA will include, as an Appendix to the Plan a list of such developments.

LRHA will attach, as an Appendix to this Plan, a list of developments that will be replaced with affordable housing owned or controlled by LRHA at off-site locations that complies with HUD housing quality standards and meets all other applicable program requirements. Units selected may include new construction, substantial rehabilitation and/or acquisition of existing housing based on LRHA's assessment of the best available options to meet the needs of the community and LRHA residents. LRHA may modify this project listing in the future. The net number of affordable units awarded PBV assistance may exceed the original number of public housing units, where allowed under regulation.

21.2.4 Solicitation and Selection of PBV Proposals: RFP Method

LRHA may issue a request for PBV proposals (RFP) when it determines that a competitive selection process has a reasonable likelihood of generating proposals that will expand housing opportunities and housing choice in the City. Owner proposals will be requested in an advertisement with a reasonable deadline and posted on LRHA's website. LRHA may either establish a single deadline for submission or establish multiple deadlines. For example, LRHA may publish a public notice indicating that proposals will be accepted for a one-year period with quarterly proposal submission deadlines.

LRHA will not limit proposals to a single site or impose restrictions that explicitly or practically exclude owners from submitting project-based proposals on different sites. LRHA may restrict proposals to those that have a certain number of bedrooms based on waiting list or community need. Owners that request an application package will be sent an RFP application and information packet or provided with instructions on how to download the application from LRHA's website. The application package will contain the following:

- A description of the PBV program;
- Project selection criteria;
- Sample program documents including payment standard schedule, utility allowance schedule and sample HAP agreement;
- An application/proposal form;
- Information about application due date;
- Other information as may be required by LRHA.

At LRHA's option, a Bidders Conference may be provided for owners who would like additional information about the program.

LRHA will review only proposals submitted in response to the Request for Proposals advertisement and submitted by the stated deadline. The LRHA will review proposals for completeness and compliance with RFP requirements. Proposals must include the following information (threshold requirements):

1. Property description, including unit sizes, number of vacancies, eligible occupants;
2. Evidence that the property is eligible housing;
3. Evidence that the property complies with the cap on the number of PBV units per project;
4. Evidence that the property meets the applicable site and neighborhood selection standards;
5. Owner certification indicating understanding and agreement to abide by all LRHA and HUD rules and regulations governing the PBV program;
6. Description of previous management experience and participation in HUD subsidized housing programs;

7. Written tenant selection policy and procedures;
8. Proposed rent levels accompanied by rent comparables for similar unassisted units in the area;
9. Information on how the site is consistent with the deconcentration goals already established in the LRHA's PHA Plan and with civil rights laws and regulations, including HUD's rules on accessibility;
10. Owner's agreement to select tenants from the LRHA waiting list; and,
11. Other information that may be required by LRHA to evaluate the proposal.

In addition, proposals for PBV New Construction and/or Substantial Rehabilitation must include:

1. Description of project including work plans;
2. Zoning permits and evidence of site control;
3. Disclosure of Low Income Tax Credit use or lien;
4. Statement of Sources and Uses for Funds to develop the project;
5. Operating proforma;
6. Descriptions of historic and environmental review status;
7. Owner's plan to manage and maintain property; and,
8. Other information that may be required by LRHA to evaluate the proposal.

LRHA will rate and rank proposals using criteria published in the RFP. Such criteria shall be further defined in the RFP issued by LRHA and generally relate to:

- Owner experience and capability to build, rehabilitate and or manage housing as identified in the RFP;
- Financial feasibility of the project including commitments for development financing where applicable and adequacy of projected operating funding;
- Extent to which the project furthers the goal of deconcentrating poverty and expanding housing and economic opportunities;
- Extent to which the project supports LRHA goals related to permanent supportive housing, youth aging out of foster care, reducing homelessness, support for City and/or other revitalization initiatives and/or other goals identified in the RFP;
- Extent to which the project demonstrates an appropriate supportive services plan based on projected resident needs; and,
- Other criteria as defined in the RFP issued by LRHA.

Incomplete proposals will not be processed; however, LRHA may provide the owner with an opportunity to address any deficiencies. If the owner fails to provide the needed information within a reasonable time as specified by LRHA, the proposal will be rejected. Proposals, which would require permanent displacement of tenants, will be rejected. Proposals where there is not site control will be rejected. Proposals where the property has liens attached and these liens are a result of the current owner's negligence will be rejected.

Proposals are subject to review and approval by the LRHA Board of Commissioners. The proposal selection date is the date that the proposal is approved by the LRHA Board of Commissioners.

21.2.5 Selection of Proposals Subject to a Previous Competition

If sufficient funds are available, LRHA may elect to accept proposal(s) for PBV assistance from owner(s) that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis, provided that the proposal(s) are consistent with the site selection standards, further compliment other local activities, and are consistent with LRHA's PHA Plan. The selection under the prior competition must have occurred within three years of the PBV proposal selection date, and the earlier competition could not involve consideration that the project would receive PBV assistance.

On an ongoing basis, LRHA may directly solicit proposal(s) from owners that qualify under this method and/or may review and consider proposal(s) solicited by project owners. In order for LRHA to consider a proposal under this method, the owner must submit the following to LRHA:

1. A description of the project including location, unit mix and type, as well as amount of proposed PBV units with sufficient detail to determine that the property is eligible housing, complies with the cap on the number of PBV units per project, and meets the site selection standards;
2. Current operating budgets and operating proforma showing current and proposed rents, utility allowances, vacancy rates, and project expenses;
3. A description of the owner entity and any partners including the management team;
4. Description of the need for vouchers and services offers on site;
5. Any other additional information needed to make a determination that the project complies with LRHA policy priorities, federal, state, and local laws.

If funds for project-based vouchers are available, LRHA may select proposals that are consistent with the site selection standards, further compliment other local activities, and are consistent with LRHA's PHA Plan. LRHA shall provide prompt notice to the owner and public notice of its selection of units for PBV assistance under this selection method. Proposals selected under this method are subject to the HQS inspection, subsidy layering review, environmental review, and all other applicable requirements noted above in the discussion of proposals selected under the Request for Proposals method.

21.2.6 LRHA-Owned Units

An LRHA-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that the units were appropriately selected based on the selection procedures specified in the Administrative Plan. The term of the HAP contract and any HAP contract renewal must be agreed upon by LRHA and the HUD-approved independent entity. In addition, the independent entity must determine the rent to owner, the redetermined rent to owner, and reasonable rent. Housing quality standards inspections must also be conducted by the independent entity.

The independent entity that performs these program services may be the unit of general local government for Lynchburg or another HUD-approved public or private independent entity.

LRHA may only compensate the independent entity from its ongoing administrative fee income (including amounts credited to the administrative fee reserve).

21.2.7 Notice of Owner Selection

Within 30 business days of LRHA Board approval of a PBV selection, LRHA will notify the selected owner in writing of the owner's selection for the PBV program. LRHA will also notify in writing all owners that submitted proposals that were not selected. Owners of rejected proposals will be offered an opportunity to discuss the rejection in person with LRHA proposal evaluators.

LRHA will also post the notice of owner selection on its web site.

21.2.8 Housing Type

LRHA may attach PBV assistance for units in existing housing, newly constructed or rehabilitated housing developed under and in accordance with an Agreement to enter into a Housing Assistance Payments contract (AHAP) that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of selection, the units substantially comply with HQS. Units for which new construction or rehabilitation began after the owner's proposal submission but prior to the execution of the HAP do not subsequently qualify as existing housing. Units that were newly constructed or rehabilitated in violation of program requirements also do not qualify as existing housing.

21.2.9 Ineligible Housing Types

LRHA may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; and transitional housing.

LRHA may not attach or pay PBV assistance for a unit occupied by an owner and LRHA may not select or enter into an AHAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program. A member of a cooperative who owns shares in the project assisted under the PBV program is not considered an owner for purposes of participation in the PBV program.

PBV assistance may not be attached to units for which construction or rehabilitation has started after the proposal submission and prior to the execution of an AHAP.

LRHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that LRHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;

- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or LRHA in accordance with HUD requirements.

21.2.10 Subsidy Layering Requirement

LRHA may provide PBV assistance only in accordance with HUD subsidy layering regulations and other requirements.

Subsidy layering requirements apply to new construction and rehabilitation housing that will include forms of government assistance other than PBVs prior to entering into an Agreement to Enter into Housing Assistance Payments Contract (AHAP). Subsidy layering requirements do not apply to existing housing, when PBV is the only governmental assistance, or for projects already subject to a PBV HAP contract, even if the project is recapitalized with outside sources of funding.

When LRHA selects a new construction or rehabilitation project, LRHA will require information regarding all HUD and/or other federal, state, or local governmental assistance to be disclosed by the project owner. FR Notice 2/28/20 contains a list of all required documentation.

Either HUD or a HUD-approved housing credit agency (HCA) in the PHA's jurisdiction performs the subsidy layering review. LRHA will request an SLR through its local HUD Field Office or, if eligible, through a participating HCA.

21.2.11 Cap on PBV Units

Except as noted below, LRHA may not select a proposal to provide PBV assistance for units in a project or enter into an AHAP contract or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than the greater of 25 units or 25 percent of the number of dwelling units (assisted or unassisted) in the project.

As of April 18, 2017, units are not counted against the 25 percent or 25-unit per project cap if:

- The units are exclusively for elderly families;
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project.

If the project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates, the project cap is the greater of 25 units or 40 percent (instead of 25 percent) of the units in the project.

The Housing Opportunity Through Modernization Act of 2016 (HOTMA) eliminated the project cap exemption for projects that serve disabled families and modified the exception for supportive services. Projects where these caps were implemented prior to HOTMA (HAP contracts executed prior to April 18, 2017) may continue to use the former exceptions and may renew their HAP contracts under the old requirements, unless LRHA and owner agree to change the conditions of the HAP contract. However, this change may not be made if it would jeopardize an assisted family's eligibility for continued assistance in the project.

Notwithstanding the above, LRHA may establish limitations on the number of units and/or the size of projects that will receive PBV assistance. Any such limits shall be identified in the Request for Proposals issued by LRHA, or shall be communicated to owners considered for selection under the non-competitive, prior competition method.

21.2.12 Definition of Supportive Services

The types of services that the LRHA will deem eligible to qualify a project to meet HUD's definition of families receiving supportive services include, but are not limited to:

- Meal service adequate to meet nutritional need;
- Housekeeping Aid and Household Training (e.g., homemaking, parenting skills, money management);
- Personal assistance;
- Transportation services;
- Health-related services such as substance abuse treatment (counseling and treatment for substance abuse);
- Educational and employment services such as job training (preparation and counseling, job development and placement, follow-up assistance after job placement, completion of FSS "Contract of Family Participation) or remedial education (education for the completion of Secondary or post-secondary education);
- Self-sufficiency services and resources (appropriate to assist families to achieve economic independence and self-sufficiency);
- Other services designed to help the recipient live in the community as independently as possible.

It is not required that services be provided at or by the project, provided that they are approved services. LRHA will require owners of such projects to submit an Annual Progress Report to ensure compliance with the supportive service exemption on the number of units per building. Failure to submit Annual Progress Reports may result in abatement of the HAP payment.

21.2.13 Site and Neighborhood Standards Applicable to All Housing Types

LRHA may select a proposal for PBV assistance for existing, newly constructed or rehabilitated housing if it is consistent with the following:

1. The housing site must be located in LRHA's jurisdiction and be consistent with the deconcentration goals already established in LRHA's PHA Plan and with civil rights laws and regulations, including HUD's rules on accessibility;
2. LRHA will evaluate each proposal based on whether the site is in an Enterprise Zone, Economic Community or Renewal Community (EZ/EC/RC);
3. Whether the concentration of assisted units will or has decreased as a result of public housing demolition;
4. Whether the census tract is undergoing significant revitalization;
5. Whether government funding has been invested in the area;
6. Whether new market rate units are being developed in the area which are likely to positively impact the poverty rate in the area;

7. If the poverty rate in the area is greater than 20 percent whether in the past five years there has been an overall decline in the poverty rate, and
8. Whether there are meaningful opportunities for educational and economic advancement in the area.
9. The site must be suitable from the standpoint of facilitating and further compliance with the applicable provisions of the Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Executive Order 11063 and HUD's implementing regulations for the foregoing.
10. The site must meet the section 504 site selection requirements described in 24 CFR 8.4(b)(5).
11. The site must meet the HQS site standards at 24 CFR 982.401(l).

21.2.14 Existing and Rehabilitated Housing Site and Neighborhood Standards

A site for existing or rehabilitated PBV housing must meet the following site and neighborhood standards:

1. The site must be adequate in size, exposure and contour to accommodate the number and type of units proposed, and there must be adequate utilities and available streets to service the site;
2. The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
3. The site must be accessible to social, recreational, educational, commercial and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents; and,
4. The site must be located such that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower income workers is not excessive.

21.2.15 New Construction Site and Neighborhood Standards

A site for newly constructed PBV housing must meet the following site and neighborhood standards:

1. The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
2. The site must not be located in an area of minority concentration, except as permitted under paragraph (3) below, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
3. A project may be located in an area of minority concentration only if:
 - a. Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration; or
 - b. The project is necessary to meet overriding housing needs that cannot be met in that housing market area.
 - c. As used in paragraph (3)(a) above, *sufficient* does not require that there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each

year that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance must be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the City's population.

- d. Units may be considered *comparable opportunities*, as used in paragraph 3)(a) above, if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.
- e. Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:
 - i. A significant number of assisted housing units are available outside areas of minority concentration.
 - ii. There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.
 - iii. There are racially integrated neighborhoods in the locality.
 - iv. Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.
 - v. Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.
 - vi. A significant proportion of minority households has been successful in finding units in non-minority areas under the tenant-based assistance programs.
 - vii. Comparable housing opportunities have been made available outside areas of minority concentration through other programs.
 - viii. Application of the *overriding housing needs* criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a *revitalizing area*). An *overriding housing need*, however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.
- f. The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- g. The neighborhood must not be one that is seriously detrimental to family life or in which

substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions.

- h. The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- i. Except for new construction, housing designed for elderly persons, travel time, and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers, must not be excessive.

21.2.16 Environmental Review

Activities under the PBV program are subject to HUD environmental regulations at 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). LRHA may not enter into an AHAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

LRHA may not enter into an AHAP contract or a HAP contract with an owner, and LRHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

LRHA shall require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

21.3 DWELLING UNITS

21.3.1 Housing Quality Standards

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

21.3.2 Lead-Based Paint

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

21.3.3 Housing Accessibility for People with Disabilities

PBV housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The percentage of accessible dwelling units must comply with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

21.3.4 Inspecting Units

Pre-selection Inspection

LRHA shall examine the proposed site before the proposal selection date. For existing units, LRHA shall inspect all the units before the proposal selection date, and shall determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. LRHA shall not execute the HAP contract until the units fully comply with HQS.

Pre-HAP Contract Inspections

LRHA shall inspect each contract unit before execution of the HAP contract, and shall not enter into a HAP contract covering a unit until the unit fully complies with HQS.

Turnover Inspections

LRHA shall inspect each contract unit before providing assistance to a new family including at unit turnover. LRHA will not provide assistance in turnover units until the unit fully complies with HQS.

Biennial Inspections

At least once every 24 months during the term of the HAP contract, LRHA shall inspect all project-based units. However, LRHA reserves the right to inspect a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS; turnover inspections are not counted toward meeting this inspection requirement. LRHA shall generally perform all required inspections in a PBV project at the same time. If LRHA has opted to inspect a sample of units and more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, LRHA shall reinspect 100 percent of the contract units in the building.

Other Inspections

LRHA shall inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract, taking into account complaints and any other information coming to its attention in scheduling inspections.

LRHA shall conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and shall conduct inspections as needed to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting supervisory quality control HQS inspections, LRHA will include a representative sample of both tenant-based and project-based units.

Inspecting LRHA-Owned Units

Inspections for LRHA-owned units under contract must be performed by an independent agency designated by LRHA and approved by HUD. The independent entity must furnish a copy of each inspection report to LRHA and to the HUD field office where the project is located. LRHA shall take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the owner.

21.4 REHABILITATED AND NEWLY CONSTRUCTED UNITS

Rehabilitated and newly constructed housing selected for PBV assistance may not at a later date be selected for PBV assistance as existing housing.

21.4.1 Agreement to Enter into HAP Contract

To offer PBV assistance in rehabilitated or newly constructed units, LRHA shall enter into an Agreement to enter into HAP contract (AHAP) with the owner of the property. The AHAP shall be in the form and include the contents required by HUD [24 CFR 983.152(b)]. LRHA may not enter into an AHAP if commencement of construction or rehabilitation has commenced after proposal submission. Construction begins when excavation or site preparation (including clearing of the land) begins for the housing. Rehabilitation begins with the physical commencement of rehabilitation activity on the housing.

The AHAP shall specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The AHAP shall also specify the deadline for submission by the owner of the required evidence of completion.

LRHA may not enter into the AHAP if construction or rehabilitation has started after proposal submission. LRHA may not enter into the Agreement with the owner until the subsidy layering review is completed, the environmental review is completed and LRHA has received environmental approval.

LRHA does not need to conduct a subsidy layering review in the case of a HAP contract for existing housing or if the applicable state or local agency has conducted such a review. Similarly, environmental reviews are not required for existing structures unless otherwise required by law or regulation.

LRHA shall enter into the AHAP with the owner promptly after receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

21.4.2 Labor Standards

If an AHAP covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. LRHA shall monitor compliance with labor standards.

21.4.3 Equal Opportunity

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

21.4.4 Owner Disclosure

The AHAP and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

21.4.5 Evidence of Completion

At a minimum, the owner must submit the following evidence of completion to LRHA in the form and manner required by LRHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the AHAP; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At LRHA's discretion, the AHAP may specify additional documentation that must be submitted by the owner as evidence of housing completion.

21.4.6 LRHA Acceptance of Completed Units

Upon notice from the owner that the housing is completed, LRHA shall inspect to determine if the housing has been completed in accordance with the AHAP, including compliance with HQS and any additional requirements imposed under the AHAP.

If the work has not been completed in accordance with the AHAP, LRHA shall not enter into the HAP contract.

If LRHA determines the work has been completed in accordance with the AHAP and that the owner has submitted all required evidence of completion, LRHA shall submit the HAP contract for execution by the owner and execute the HAP contract.

21.5 HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

LRHA shall enter into a HAP contract with an owner for units that are receiving PBV assistance. With the exception of single-family scattered-site projects, a HAP contract shall cover a single project. If multiple projects exist, each project is covered by a separate HAP contract. The HAP contract shall be in the form and include all the content required by HUD.

21.5.1 HAP Contract Execution

LRHA shall not enter into a HAP contract until each contract unit has been inspected and LRHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract shall be executed promptly after LRHA selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing, the HAP contract shall be executed after LRHA has inspected the completed units and has determined that the units have been completed in accordance with the AHAP, and the owner furnishes all required evidence of completion.

21.5.2 Term of HAP Contract

LRHA may enter into a HAP contract with an owner for an initial term of no less than one year and no more than 20 years for each contract unit. The length of the term of the HAP contract for any contract unit may not be less than one year, nor more than 20 years. In the case of LRHA-owned units, the term of the HAP contract must be agreed upon by LRHA and the independent entity approved by HUD.

The term of all PBV HAP contracts shall be negotiated with the owner on a case-by-case basis.

At the time of the initial HAP contract term or any time before expiration of the HAP contract, LRHA at its discretion may extend the term of the contract for an additional term of up to 20 years if LRHA determines an extension is appropriate to continue providing affordable housing for low-income families. LRHA may

provide for multiple extensions; however, in no circumstances may such extensions exceed 20 years cumulatively. Extensions after the initial extension are allowed at the end of any extension term, provided that not more than 24 months prior to the expiration of the previous extension contract, LRHA agrees to extend the term, and that such extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities. Extensions after the initial extension term shall not begin prior to the expiration date of the previous extension term. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension. In the case of LRHA-owned units, any extension of the term of the HAP contract must be agreed upon by LRHA and the independent entity approved by HUD.

21.5.3 Termination by Owner

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to LRHA. In this case, families living in the contract units must be offered tenant-based assistance.

21.5.4 Statutory Notice Requirements: Contract Termination or Expiration

Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify LRHA and assisted tenants of the termination. The notice must be provided in the form prescribed by HUD. If the owner does not give timely notice, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of their rent, and with no eviction as a result of the owner's inability to collect an increased tenant portion of rent. An owner may renew the terminating contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.

Upon termination or expiration of the contract, a family living at the property is entitled to receive a tenant-based voucher. Tenant-based assistance does not begin until the owner's required notice period ends. LRHA shall provide the family with a voucher and the family shall also be given the option by LRHA and owner to remain in their unit with HCV tenant-based assistance as long as the unit complies with inspection and rent reasonableness requirements. The family must pay their total tenant payment (TTP) and any additional amount if the gross rent exceeds the applicable payment standard. The family has the right to remain in the project as long as the units are used for rental housing and are otherwise eligible for HCV assistance. The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause. Families that receive a tenant-based voucher at the expiration or termination of the PBV HAP contract are not new admissions to the HCV tenant-based program, and are not subject to income eligibility requirements or any other admission requirements. If the family chooses to remain in their unit with tenant-based assistance, the family may do so regardless of whether the family share would initially exceed 40 percent of the family's adjusted monthly income.

21.5.5 Remedies for HQS Violations

LRHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program; however, where PBV contracts are concerned, LRHA may reduce the number of contract units.

21.5.6 Substitution of Contract Units

At LRHA's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit. Before any such substitution can take place, LRHA shall inspect the proposed unit and determine the reasonable rent for the unit.

21.5.7 Addition of Contract Units

LRHA and the owner may amend the HAP contract to add additional PBV contract units in projects that already have a HAP contract without having to fulfill the selection requirements found at 24 CFR 983.51(b) for those additional PBV units, regardless of when the HAP contract was signed, provided that LRHA determines that such action promotes housing opportunities and/or housing choice and is consistent with the PHA Plan. The additional PBV units, however, are subject to the PBV program cap, individual project caps and reasonable rent determinations. Prior to attaching additional units without competition, the LRHA shall submit to the local field office information outlined in FR Notice 1/18/17.

21.5.8 Removal of Units from the HAP Contract

Units occupied by families whose income has increased during their tenancy resulting in the tenant rent equaling the rent to the owner, shall be removed from the HAP Contract 180 days following the last housing assistance payment on behalf of the family.

If the project is fully assisted, LRHA may reinstate the unit removed to the HAP contract after the ineligible family vacates the property. If the project is partially assisted, LRHA may substitute a different unit for the unit removed from the HAP contract when the first eligible substitute becomes available.

21.5.9 Housing Quality and Design Requirements

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with LRHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

LRHA may identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. LRHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the AHAP contract and the HAP contract.

21.5.10 Vacancy Payments

At LRHA's discretion, on a case-by-case basis, the HAP contract may provide for vacancy payments to the owner for up to a 60-day period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment shall not exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

21.6 SELECTION OF PBV PROGRAM PARTICIPANTS

21.6.1 Eligibility for PBV Assistance

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program; however, eligible at original admission to the program means that the family must be eligible for PBV assistance within 60 days prior to commencement of PBV assistance.

21.6.2 In-Place Families

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by LRHA is considered an *in-place family*. These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family shall be placed on LRHA's waiting list. Once the family's continued eligibility is determined, the family must be given an absolute selection preference and LRHA shall refer these families to the project owner for an appropriately sized

PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

21.6.3 Organization of the Waiting List

LRHA will use separate waiting lists for sets of PBV units. As applicable, the waiting list may establish criteria or preferences for occupancy of particular units.

21.6.4 Selection from the Waiting List

Except where noted in the Administrative Plan, the LRHA's tenant selection procedures for the tenant-based programs apply for units assisted under the PBV Program.

Except for units which are occupied by eligible *in-place* tenants upon the commencement of the project based contract term, when a vacancy exists at a PBV site, LRHA will notify the next family on the appropriate LRHA PBV waiting list. LRHA will inform applicants that if the applicant is interested in residing in the vacant PBV unit that the applicant will not lose their place on the LRHA's Section 8 waiting list (if applicable) until that person has been leased in the PBV unit.

All applicants indicating interest in the PBV units will be selected by LRHA in chronological order by preference category if applicable, and prescreened for Section 8 eligibility. Applicants must meet all of LRHA's applicable eligibility and suitability requirements. LRHA will refer qualified applicants to the owner for all vacancies. If the LRHA referrals do not provide the owner with a suitable tenant for the unit within 30 days, the owner may refer a Section 8 eligible individual or family from the owner's waiting list to the PBV waiting list. The referred family must meet the LRHA's waiting list priority criteria.

For VASH PBV, applicants referred by the VA indicating interest in the PBV units will be prescreened by the LRHA for Section 8 eligibility and referred to the owner in chronological order.

The owner chooses a tenant for occupancy from the qualified applicants referred by LRHA based on their written, LRHA- approved tenant selection policy. LRHA may place families referred by the PBV owner on its PBV waiting list.

21.6.5 Units with Accessibility Features

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, LRHA shall first refer families who require such features to the owner.

21.6.6 Preferences

LRHA may establish a selection preference for families who qualify for voluntary services, including disability-specific services, offered in conjunction with assisted units, provided that preference is consistent with the PHA Plan. LRHA shall not grant a preference to a person with a specific disability.

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

LRHA will provide a selection preference when required by the regulation (e.g., eligible in-place families, elderly families or units with supportive services, or mobility impaired persons for accessible units).

21.6.7 Refusal of Offer

LRHA shall not take any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the tenant based voucher waiting list based on preference, date, and time of application, or other factors affecting selection under the LRHA's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

If an applicant on a PBV site-based waiting list refuses two PBV offers without good cause, LRHA will remove the applicant from that PBV site-based waiting list; however, the applicant will retain their position on all other waiting lists. The applicant may reapply if the applicable SBWL is open; however, the applicant will receive a new date and time of application.

21.6.8 Good Cause Refusal of PBV Units

Applicants may refuse to accept a unit offer for *good cause*. If a good cause for refusal is verified by LRHA, applicants/tenants may retain their position on the PBV site-based waiting list. There are two types of good cause:

- Situations in which an applicant/tenant is willing to move but is unable to do so at the time of the unit offer (e.g., the applicant/tenant is in the hospital or is serving on a sequestered jury);
- Situations in which the applicant/tenant demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the applicant's race, color, national origin, etc.

Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

- Inaccessibility to source of employment, education, or job training, children's day care, or educational program for children with disabilities, such that accepting the unit offer would require the adult family member to quit a job, drop out of an educational institution or job training program, or take a child out of day care or an educational program for children with disabilities;
- The family demonstrates to LRHA's satisfaction that accepting the offer will place a family member's life, health or safety in jeopardy. The family should offer specific and compelling documentation. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption;
- A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (as listed on the final application or Lease) or live-in aide necessary to the care of the principal household member;
- The unit is inappropriate for the applicant's/tenant's disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30-day notice to move.

LRHA will require documentation of good cause for unit refusals and will verify all claims of good cause. Good cause refusal policies may also be applied to unit offers related to applicable transfers.

21.6.9 Disapproval by Landlord

If a PBV owner rejects a family for admission to the owner's units, such rejection shall not affect the family's position on the tenant-based voucher waiting list; however, the family shall be removed from the site-based waiting list for which the family was rejected by the owner. Owners must retain documentation used to screen and determine suitability and must promptly notify, in writing, any rejected applicant of the grounds for any rejection.

21.6.10 Acceptance of Offer

Family Briefing

When a family accepts an offer for PBV assistance, LRHA shall give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, LRHA shall provide a briefing packet that explains how it determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities

If an applicant family's head or spouse is disabled, LRHA shall assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available. LRHA shall refer a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

21.6.11 Owner Selection of Tenants

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease.

21.6.12 Leasing

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by LRHA from LRHA's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on LRHA's subsidy standards.

21.6.13 Filling Vacancies

The owner must notify LRHA in writing (mail, fax, or email) within five business days of learning about any vacancy or expected vacancy.

LRHA will make reasonable efforts to refer families to the owner within seven (7) business days of receiving such notice from the owner.

21.6.14 Reduction in HAP Contract Units Due to Vacancies

If any contract units have been vacant for 120 days, LRHA may give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The amendment to the HAP contract will be effective the first day of the month following the date of the LRHA's notice.

21.6.15 LRHA Responsibility

LRHA does not conduct screening to determine a PBV applicant family's suitability for tenancy. LRHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. LRHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

21.6.16 Owner Responsibility

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

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

21.7 OCCUPANCY

21.7.1 Lease

After an applicant has been selected from the waiting list, determined eligible by LRHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

The owner shall ensure the lease is compliant with state and local law. LRHA will not review the owner's lease for compliance with state or local law.

The initial lease term must be for at least one year. The lease must provide for automatic renewal after the initial term of the lease in either successive definitive terms (e.g., month-to-month or year-to-year) or an automatic indefinite extension of the lease term.

For automatic indefinite extension of the lease term, the lease terminates if any of the following occur:

- The owner terminates the lease for good cause;
- The tenant terminates the lease;
- The owner and tenant agree to terminate the lease;
- LRHA terminates the HAP contract;
- LRHA terminates assistance for the family.

21.7.2 Changes in the Lease

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give LRHA a copy of all changes.

The owner must notify LRHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by LRHA and in accordance with the terms of the lease relating to its amendment. LRHA must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

21.7.3 Owner Termination of Tenancy

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program. In the PBV program, terminating tenancy for *good cause* does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

21.7.4 Tenant Absence from the Unit

The lease may specify a maximum period of family absence from the unit that may be shorter than the maximum period permitted by LRHA policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 180 consecutive days. LRHA termination of assistance actions due to family absence from the unit are subject to 24 CFR 981.312, except that the unit is not terminated from the HAP contract if the family is absent for longer than the maximum period permitted.

21.7.5 Continuation of Housing Assistance Payments

Housing assistance payments shall continue until the tenant rent equals the rent to owner. The cessation of housing assistance payments at such point will not affect the family's other rights under its lease, nor will such cessation preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances if such changes occur within 180 days following the date of the last housing assistance payment by the PHA. After the 180-day period, the unit shall be removed from the HAP contract pursuant to 24 CFR 983.211.

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify LRHA of the change and request an interim reexamination before the expiration of the 180-day period.

21.7.6 Security Deposits

Owners may collect a security deposit that is reasonable and comparable to security deposits collected for similar, unassisted units in the area. LRHA prohibits security deposits in excess of private market practice or in excess of amounts charged to unassisted tenants.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

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

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. LRHA has no liability or responsibility for payment of any amount owed by the family to the owner.

21.7.7 Overcrowded, Under-Occupied, and Accessible Units

If LRHA determines that a family is occupying a wrong size unit, based on LRHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, LRHA shall promptly notify the family and the owner of this determination, and LRHA shall offer the family the opportunity to receive continued housing assistance in another available unit. LRHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

- PBV assistance in the same building or project;
- PBV assistance in another project; and
- Tenant-based voucher assistance.

If LRHA offers the family a tenant-based voucher, LRHA shall terminate the housing assistance payments for a wrong-sized or accessible unit at the earlier of the expiration of the term of the family's voucher (including any extension granted by LRHA) or the date upon which the family vacates the unit. If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the term of the family's voucher, LRHA must remove the unit from the HAP contract.

If LRHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, LRHA will terminate the housing assistance payments at the expiration of this 30-day period. LRHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

21.7.8 Family Right to Move

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to LRHA. If the family wishes to move with continued tenant-based assistance, the family must contact LRHA to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, LRHA shall offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, LRHA shall give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

21.7.9 Emergency Transfers under VAWA

Except where special consideration is needed for the PBV program, LRHA will follow VAWA policies as described in the Administrative Plan including using the Emergency Transfer Plan as the basis for PBV transfers under VAWA.

When the victim of domestic violence, dating violence, sexual assault, or stalking has lived in the unit for less than one year, LRHA will provide several options for continued assistance.

LRHA will first try to transfer the participant to another PBV unit in the same development or transfer to a different development where LRHA has PBV units. LRHA will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external

transfer to either tenant-based rental assistance or assistance in LRHA's public housing program. Such a decision will be made by LRHA based on the availability of tenant-based vouchers and/or vacancies in public housing units. Such families must be selected from the waiting list for the applicable program.

If a victim wishes to move after a year of occupancy in the unit, but no tenant-based vouchers are available, LRHA will offer the participant an internal transfer to another PBV unit in the same development or a transfer to a different development where LRHA has PBV units. LRHA will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.

If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external transfer to LRHA's public housing program.

21.7.10 Exceptions to the Occupancy Cap

As of April 17, 2018, LRHA may not pay housing assistance under a PBV HAP contract for more than the greater of 25 units or 25 percent of the number of dwelling units in a project unless:

- The units are exclusively for elderly families;
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project.

If the project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates, the project cap is the greater of 25 units or 40 percent (instead of 25 percent) of the units in the project.

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by LRHA and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit. However, if the FSS family fails to successfully complete the FSS contract of participation or supportive services objective and consequently is no longer eligible for the supportive services, the family must vacate the unit within a reasonable period of time established by LRHA, and LRHA shall cease paying HAP on behalf of the family.

Further, when a family (or remaining members of a family) residing in an excepted unit no longer meets the criteria for a *qualifying family* because the family is no longer an elderly family due to a change in family composition, LRHA has the discretion to allow the family to remain in the excepted unit. If LRHA does not exercise this discretion, the family must vacate the unit within a reasonable period of time established by LRHA, and LRHA must cease paying housing assistance payments on behalf of the non-qualifying family.

Individuals in units with supportive services who choose to no longer participate in a service or who no longer qualify for services they qualified for at the time of initial occupancy cannot subsequently be denied continued housing opportunity because of this changed circumstance. LRHA or the owner cannot determine that a participant's needs exceed the level of care offered by qualifying services or require that individuals be transitioned to different projects based on service needs.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by LRHA.

LRHA will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to circumstances beyond the remaining family members' control. In all other cases, LRHA will

provide written notice to the family and owner promptly after making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame, LRHA will terminate the housing assistance payments at the expiration of this 30-day period.

LRHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

21.8 DETERMINING RENT TO OWNER

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the AHAP contract states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

21.8.1 Rent Limits

Except for certain tax credit units, the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by LRHA, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

21.8.2 Certain Tax Credit Units

For certain tax credit units, the rent limits are determined differently than for other PBV units. Different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same project, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds 110 percent of the fair market rent or any approved exception payment standard.

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the project that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

21.8.3 Reasonable Rent

LRHA shall determine reasonable rent in accordance with 24 CFR 983.303. The rent to owner for each contract unit may at no time exceed the reasonable rent, except in cases where LRHA has elected within the HAP contract not to reduce rents below the initial rent to owner and, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent. However, the rent to owner must be reduced in the following cases:

- To correct errors in calculations in accordance with HUD requirements;
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 24 CFR 983.55;
- If a decrease in rent to owner is required based on changes in the allocation of the responsibility for utilities between owner and tenant.

If LRHA has not elected within the HAP contract to establish the initial rent to owner as the rent floor, the rent to owner shall not at any time exceed the reasonable rent.

21.8.4 Use of FMRs, Exception Payment Standards, and Utility Allowance

When determining the initial rent to owner, LRHA shall use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, LRHA shall use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, LRHA may, for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.

Applicable HUD-approved exception payment standards under the tenant-based voucher program also apply to the project-based voucher program.

21.8.5 Use of Small Area FMRs (SAFMRs)

LRHA will not apply SAFMRs to LRHA's PBV program.

21.8.6 Redetermination of Rent

LRHA shall redetermine the rent to owner;

- upon the owner's request
- when there is a 10 percent or greater decrease in the published FMR
- To correct errors in rent calculations in accordance with HUD requirements
- When there is a change to allocation of

Rent Increase

An owner's request for a rent increase must be submitted to LRHA 60 calendar days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.

LRHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Where the owner is requesting a rent increase, LRHA will determine whether the requested increase is reasonable. The owner will be notified of the determination in writing.

Rent Decrease

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment, except where LRHA has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

Notice of Rent Change

LRHA will provide the owner with 30 days written notice of any change in the amount of rent to owner.

21.8.7 Rent for LRHA-Owned Units

For LRHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. LRHA shall use the rent to owner established by the independent entity.

21.8.8 Reasonable Rent

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by LRHA, except where LRHA has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract. However, the rent floor does not apply:

- When correcting errors in calculations in accordance with HUD requirements;
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to §983.55; or
- If a decrease in rent to owner is required based on changes in the allocation of responsibility for utilities between the owner and the tenant.

21.8.9 When Rent Reasonable Determinations Are Required

LRHA shall redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a 10 percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- LRHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;

- The HAP contract is amended to substitute a different contract unit in the same building or project;
or
- There is any other change that may substantially affect the reasonable rent.

21.8.10 Effect of Other Subsidy

To comply with HUD subsidy layering requirements, at the discretion of HUD or its designee, LRHA shall reduce the rent to owner because of other governmental subsidies, including tax credits or tax exemptions, grants, or other subsidized funding.

For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- Any other type of federally subsidized project specified by HUD.

21.9 PAYMENTS TO OWNER

During the term of the HAP contract, LRHA shall make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments shall be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment shall be paid to the owner on or about the first day of the month for which payment is due unless the owner and LRHA agree on a later date.

Except for discretionary vacancy payments, LRHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract.

21.9.1 Vacancy Payments

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if LRHA determines that the vacancy is the owner's fault. If LRHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to keep the housing assistance payment, LRHA will notify the landlord of the amount of housing assistance payment that the owner must repay. LRHA will require the owner to repay the amount owed.

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified LRHA of the vacancy.

In order for a vacancy payment request to be considered, it must be made within seven (7) business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and LRHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by LRHA within seven (7) business days of LRHA's request, no vacancy payments will be made.

21.9.2 Tenant Rent to Owner

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by LRHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the LRHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The appropriate utility allowance for a project-based unit is the utility allowance for the size of the dwelling unit actually leased.

The amount of the tenant rent determined by LRHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by LRHA. The owner must immediately return any excess payment to the tenant.

21.9.3 Tenant and LRHA Responsibilities

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by LRHA.

LRHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. LRHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. LRHA may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

21.9.4 Utility Reimbursements

If the amount of the utility allowance exceeds the total tenant payment, LRHA shall pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner shall be zero.

21.9.5 Meals and Supportive Services

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

21.9.6 Other Charges by Owner

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

CHAPTER 22: RAD

22.1 OVERVIEW

Under the Rental Assistance Demonstration (RAD) and with HUD's approval LRHA has the authority to convert Public Housing (PH) units to the Project-Based Voucher (PBV) program. Upon conversion to PBV assistance the units and tenants will no longer be subject to the rules and regulations pertaining to LRHA's PH Program, but rather the RAD PBV rules and regulations as modified by HUD in its regulations and notices related to the RAD program and as reflected in this chapter.

In specific circumstances, the policies under RAD apply differently to households that reside in the PH units prior to the RAD conversion (Conversion Households) and households that move into RAD units after the RAD conversion has taken place (New Households). The policies below will distinguish between the two family types when applicable.

Except as otherwise noted in this chapter, LRHA policies for the Tenant-Based Voucher Program and Project Based Voucher Program contained in this Administrative Plan also apply to the RAD program and its participants.

This chapter describes HUD regulations and LRHA policies related to the Project-Based Voucher (PBV) program under the Rental Assistance Demonstration (RAD) program. Additionally, this chapter will focus on public housing conversions to the PBV program under RAD. In order to distinguish between requirements for public housing conversion under RAD and PBV units under the standard PBV program, we will refer to the standard PBV program and the RAD PBV program.

22.2 HISTORY OF THE RAD PROGRAM

The Rental Assistance Demonstration (RAD) program was authorized in 2012 in order to assess the effectiveness of converting public housing, moderate rehabilitation properties, and units under the rent supplement and rental assistance payments programs to long-term, project-based Section 8 rental assistance. The program's four primary objectives are to:

- Preserve and improve public and other assisted housing.
- Standardize the administration of the plethora of federally subsidized housing programs and rules. The conversions are intended to promote operating efficiency by using a Section 8 project-based assistance model that has proven successful and effective for over 30 years. In other words, RAD aligns eligible properties more closely with other affordable housing programs.
- Attract private market capital for property renovations. Through the use of this model, properties may be able to leverage private debt and equity to make capital repairs.
- Increase tenant mobility opportunities.

22.3 APPLICABLE REGULATIONS

On the whole, the regulations for both the standard PBV and RAD PBV programs generally follow the regulations for the tenant-based HCV program found at 24 CFR Part 982. However, important parts of the tenant-based regulations do not apply to the project-based program. 24 CFR Part 983 outlines the sections of 24 CFR Part 982 that are not applicable to the project-based program.

For the RAD PBV program, Congress authorized HUD to waive certain statutory and regulatory provisions or establish alternative requirements from the standard PBV program. These provisions are identified in

Notice PIH 2019-23 (issued September 5, 2019) and successor notices. Any non-RAD PBV units located in the covered project are subject to the same waivers and alternative requirements where noted in Notice PIH 2019-23 and successor notices and in this policy.

Otherwise, all regulatory and statutory requirements for the standard PBV program in 24 CFR Part 983 and Section 8(o)(13) of the Housing Act of 1937, and all applicable standing and subsequent Office of Public and Indian Housing (PIH) notices and guidance, including related handbooks, apply to RAD PBV. This includes environmental review, Davis-Bacon, and fair housing requirements.

The CHAP award letter includes the relevant RAD PIH Notice which governs each RAD conversion. Accordingly, requirements may not be the same for all RAD conversions. Additionally, RAD conversions may also be subject to terms contained in subsequent RAD PIH Notices. LRHA will attach, as an Appendix to this Plan, a table of RAD conversions and related dates when applicable.

22.4 PROJECT SELECTION AND PROJECT OWNERSHIP AND CONTROL

LRHA will follow all selection and project ownership requirements set forth in HUD regulations and the applicable RAD PIH Notice and applicable successor notices.

22.5 TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE 24 CFR 983.2

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the LRHA policies for the tenant-based voucher program contained in this administrative plan also apply to the RAD PBV program and its participants. This chapter is intended to address requirements specific to the RAD PBV program only.

22.6 RELOCATION REQUIREMENTS Notice PIH 2016-17

For projects that apply for conversion of assistance under the First Component of RAD and will convert November 10, 2016 or later, the following applies [Notice PIH 2016-17]:

- In some developments, in-place residents may need to be relocated as a result of properties undergoing repairs, being demolished and rebuilt, or when assistance is transferred from one site to another. RAD program rules prohibit the permanent, involuntary relocation of residents as a result of conversion. Residents that are temporarily relocated retain the right to return to the project once it has been completed. Any non-RAD PBV units located in the same project are also subject to the right to return.
- Relocation assistance provided to residents will vary depending on the length of time relocation is required. Residents will be properly notified in advance of relocation requirements in accordance with RAD program rules and Uniform Relocation Act (URA) requirements, and other requirements which may be applicable such as Section 104(d) of the Housing and Community Development Act of 1974, as amended. Where a RAD conversion involves permanent relocation (including a move in connection with a transfer of assistance) or temporary relocation anticipated to last longer than a year, LRHA will prepare a written relocation plan.
- LRHA will undertake a planning process that complies with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), although not all relocations under RAD will trigger requirements under URA. The obligation due to relocating residents under RAD are broader than URA relocation assistance and payments.
- Any residents that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to either:

- A unit at the development once rehabilitation or construction is completed, provided the resident's household is not under-housed; or
 - A unit in the development which provides the same major features as the resident's unit in the development prior to the implementation of the RAD conversion.
- Where the transfer of assistance to a new site is warranted and approved, residents of the converting development will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete.
- If LRHA's proposed plans for conversion would preclude a resident from returning to the development, the resident must be given an opportunity to comment and/or object to such plans. LRHA will alter the project plans to accommodate the resident's right to return to the development if the resident would be precluded from returning to the development.
- Examples of project plans that may preclude a resident from returning to the development include, but are not limited to:
 - Changes in the development's bedroom distribution that decrease the size of the units, resulting in the resident being under-housed;
 - The resident cannot be accommodated in the remaining assisted units due to a reduction in the number of assisted units at the development;
 - Income limit eligibility requirements associated with the LIHTC program or another program; and
 - Failure to provide a reasonable accommodation, in violation of applicable law, where reasonable accommodation may include installation of accessibility features that are needed by the resident.
- Residents of a development undergoing conversion that would be precluded from returning to the development may voluntarily accept a LRHA's or owner's offer to permanently relocate to alternative housing, and thereby waive their right to return to the development after rehabilitation or construction is completed. In consent to a voluntary permanent relocation in lieu of returning to the development.
- In the case of multi-phase RAD transactions, the resident has a right to return to the development or to other converted phases of the development that are available for occupancy at the time the resident is eligible to exercise their right of return. Generally, the resident's right to return must be accommodated within the development associated with the resident's original unit, however, LRHA may treat multiple converted developments on the same site as one for purposes of right to return. Should LRHA seek to have the resident exercise the right to return at a future phase, LRHA will secure the resident's consent in writing.
- Alternative housing options may involve a variety of housing options, including but not limited to:
 - Transfers to public housing
 - Admission to other affordable housing properties subject to the applicable program rules
 - Housing choice voucher (HCV) assistance
 - Homeownership programs subject to the applicable program rules
 - Other options identified by the PHA

22.7 EQUAL OPPORTUNITY REQUIREMENTS

24 CFR 983.8; 24 CFR 5.105; Notice PIH 2016-17

RAD conversions are governed by the same civil rights authorities that govern HUD-assisted activities in general. These authorities prohibit discrimination and impose affirmative obligations on HUD program participants. PHAs must comply with all applicable fair housing and civil rights laws, including but not limited to the Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973, when conducting relocation planning and providing relocation assistance.

For example, persons with disabilities returning to the RAD project may not be turned away or placed on a waiting list due to a lack of accessible units. Their need for an accessible unit must be accommodated.

22.8 RAD PBV PROJECT SELECTION

Unlike in the standard PBV program where the PHA typically selects the property through an owner proposal selection process, projects selected for assistance under RAD PBV are selected in accordance with the provisions in Notice PIH 2019-23. Therefore, 24 CFR 983.51 does not apply since HUD selects RAD properties through a competitive selection process.

22.8.1 Ownership and Control Notice PIH 2019-23

For projects governed by Notice PIH 2019-23, the following applies:

- Under the PBV program, the contract administrator and the owner listed on the contract cannot be the same legal entity (i.e., the LRHA cannot execute a contract with itself). To avoid this situation, LRHA may either:
 - Transfer the ownership of the project to an LRHA nonprofit affiliate or instrumentality (including to a “single-purpose entity” that owns nothing other than the property, which will typically be a requirement of a lender or investor), or
 - LRHA may form a related entity that is responsible for management and leasing and can serve as the owner for purposes of the Section 8 HAP contract; in this scenario, the HAP is then executed between LRHA (as the contract administrator) and the LRHA’s related entity (as the owner for HAP contract purposes).
- Except where permitted to facilitate the use of low-income housing tax credits, during both the initial term and renewal terms of the HAP contract, ownership must be by a public or nonprofit entity. HUD may also allow ownership of the project to be transferred to a tax credit entity controlled by a for-profit entity to facilitate the use of tax credits for the project, but only if HUD determines that LRHA or a nonprofit entity preserves an interest in the profit. The requirement for a public or nonprofit entity, or preservation of an interest by LRHA or nonprofit in a property owned by a tax credit entity controlled by a for-profit entity, is satisfied if a public or nonprofit entity (or entities), directly or through a wholly owned affiliate:
 - Holds a fee simple interest in the property;
 - Is the lessor under a ground lease with the property owner;
 - Has the direct or indirect legal authority to direct the financial and legal interest of the property owner with respect to the RAD units,
 - Owns 51 percent or more of the general partner interests in a limited partnership or 51 percent or more of the managing member interests in a limited liability company with all powers of a general partner or managing member, as applicable;
 - Owns a lesser percentage of the general partner or managing member interests and holds certain control rights as approved by HUD;
 - Owns 51 percent or more of all ownership interests in a limited partnership or limited liability company and holds certain control rights as approved by HUD; or
 - Demonstrates other ownership and control arrangements approved by HUD.

- Control may be established through the terms of the project owner's governing documents or through a Control Agreement, provided that in either case amendment of the terms of control requires consent from HUD.

22.8.2 LRHA-Owned Units

24 CFR 983.59, FR Notice 1/18/17, and Notice PIH 2017-21

If the project is LRHA-owned, rent-setting and inspection functions set out in 24 CFR 983.59 must be conducted by an independent entity approved by HUD.

The definition of *ownership or control* provided under Notice PIH 2019-23 is used specifically to determine whether LRHA retains control over a project for purposes of HUD's requirement for ownership or control of the covered project under RAD.

For purposes of determining whether an independent entity will perform certain functions for the project, the definition of *PHA-owned* under Notice PIH 2017-21 is used. This is the same definition used for standard PBV units. In some cases, a project may meet the RAD definition of *ownership or control* but may not be considered LRHA-owned for purposes of requiring an independent entity.

22.8.3 Subsidy Layering Requirements

Notice PIH 2019-23; Notice PIH 2012-32, REV-3; Notice PIH 2012-32, REV-2

For projects governed by Notice PIH 2019-23, the following language applies:

- Where RAD conversions result in LRHA no longer having ACC units as a result of the pending or simultaneous closing, or have less than 50 units remaining and have initiated procedures to dispose of their final ACC units, there is no restriction on the amount of public housing funds that may be contributed to the covered project or projects through the conversion. However, LRHA will estimate and plan for outstanding liabilities and costs and will follow Notice PIH 2016-23 or successor notice regarding the administrative activities required to terminate the ACC if it has no plans to develop additional public housing.
- Where LRHA will continue to maintain other units in its inventory under a public housing ACC, a contribution of operating funds to the covered project that exceeds the average amount the project has held in operating reserves over the past three years will trigger a subsidy layering review under 24 CFR 4.13. Similarly, any contribution of capital funds, including Replacement Housing Factor (RHF) or Demolition Disposition Transitional Funding (DDTF), will trigger a subsidy layering review. Notwithstanding the subsidy layering review, LRHA will be mindful of how the capital funds or operating reserves used in the financing of its RAD properties may impact the physical and financial health of properties that will remain in its public housing inventory.
- Following execution of the HAP contract, LRHA is authorized to use operating and capital funds to make HAP payments for the remainder of the first calendar year in which the HAP contract is effective. Otherwise, LRHA may not contribute public housing program funds to the covered project unless those funds have been identified in the RCC and converted at closing for Section 8 RAD purposes.

For projects governed by Notice PIH 2012-32, REV-3, the following language applies:

- In the case of a PHA that is converting all of its ACC units, there is no restriction on the amount of public housing funds that may be contributed to the covered project at closing; the PHA may convey all program funds to the covered projects. In order to cover the cost of administrative activities required to terminate the ACC, once it no longer has units under the ACC and has no plans to develop additional public housing, the PHA may:

- Designate that a reserve associated with the project be available to fund any public housing closeout costs (such as an operating deficit reserve or a specific PHA closeout reserve). Any funds not needed for public housing closeout costs would remain in such reserve or may be transferred to another reserve associated with the project (such as the replacement reserve). Thereafter, these funds may be used at the project pursuant to the authorized use of the applicable reserve; or
 - Retain funds under the public housing program for this purpose. However, HUD will recapture any public housing funds that a PHA does not expend for closeout costs.
- In the case where the PHA will continue to maintain other units in its inventory under a public housing ACC, a contribution of operating funds to the covered project that exceeds the average amount the project has held in operating reserves over the past three years will trigger a subsidy layering review under 24 CFR 4.13. Similarly, any contribution of capital funds, including Replacement Housing Factor (RHF) or Demolition Disposition Transitional Funding (DDTF), will trigger a subsidy layering review. Notwithstanding the subsidy layering review, PHAs should be mindful of how the capital funds or operating reserves used in the financing of its RAD properties may impact the physical and financial health of properties that will remain in its public housing inventory.
 - In addition, following execution of the HAP contract, PHAs are authorized to use operating and capital funds to make HAP payments for the remainder of the first calendar year in which the HAP contract is effective. Otherwise, a PHA may not contribute public housing program funds to the covered project unless such funding has been identified in the approved financing plan and included in the approved “sources and uses” attached to the RCC.

22.8.4 PBV Percentage Limitation Notice PIH 2019-23

Covered projects do not count against the maximum amount of assistance LRHA may utilize for the PBV program, which under the standard PBV program is set at 20 percent of the authorized units allocated to LRHA under the HCV program.

22.8.5 Unit Cap Limitation Notice PIH 2019-23

Under the standard PBV program the cap is set at the greater of 25 units or 25 percent of the units in the project. HUD is waiving this requirement, and projects governed by Notice PIH 2019-23 and Notice PIH 2012-32, REV-3 have no cap on the number of units that may receive PBV assistance in a project.

22.8.6 Site Selection Standards Notice PIH 2019-23; Notice PIH 2016-17

Site selection requirements set forth in 24 CFR 983.57 apply to RAD PBV, with the exception of 983.57(b)(1) and (c)(2). HUD waives the provisions regarding deconcentration of poverty and expanding housing and economic opportunity for existing housing sites.

To facilitate the uniform treatment of residents and units, any non-RAD PBV units located in the same project are subject to the terms of this provision.

HUD will conduct a front-end civil rights review of an LRHA's proposed site in certain circumstances. For RAD PBV conversions that involve new construction located in an area of minority concentration (whether on the existing public housing site or on a new site) HUD will determine whether it meets one of the exceptions that would allow for new construction in an area of minority concentration.

LRHA will ensure that its RAD PBV conversion, including any associated new construction, is consistent with its certification to affirmatively further fair housing and complies with civil rights laws.

22.8.7 Environmental Review **Notice PIH 2019-23; Environmental Review Requirements for RAD Conversions, March 2019**

HUD cannot approve an applicant's financing plan submission unless and until the required environmental review has been completed for the applicant's proposed conversion project and found to meet environmental review requirements. Environmental documents will be submitted no later than the applicant's financing plan.

HUD will not issue a RAD Conversion Commitment (RCC) if the project plan does not meet the environmental review requirements described in Attachment 1A of Notice PIH 2019-23. Once an awardee has submitted an application for a specific project, they may not make any choice limiting actions before the completion of the environmental review.

22.9 DWELLING UNITS & HOUSING QUALITY STANDARDS

This part identifies the special housing quality standards that apply to the RAD PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

22.9.1 Accessible Units

Federal accessibility requirements apply to all conversions including new construction, alteration, or existing facilities including Section 504 of the Rehabilitation Act of 1973 (Section 504), the Fair Housing Act (FHA), and the Americans with Disabilities Act (ADA).

When a project's rehabilitation meets the definition of a "substantial alteration" under 24 CFR Part 8.23, the project must comply with all applicable accessibility requirements under Section 504. For some projects, "other alterations," as defined in Section 504, are made over time. If other alterations, considered together, amount to an alteration of an entire dwelling unit, the entire dwelling unit shall be made accessible.

When LRHA uses RAD conversion in conjunction with new construction, the project must comply with all applicable accessibility requirements for new construction. The specific requirements are set out in regulations at 24 CFR part 8, 28 CFR part 35 and 36, and 24 CFR part 100, subpart D. Information on the design and construction requirements of the Fair Housing Act that are applicable to new construction is found at www.fairhousingfirst.org. Wherever possible, LRHA will use universal design principles, visibility principles, and active design guidelines in planning retrofit and new construction work. However, adherence to universal design principles will not replace compliance with the accessibility requirements of Section 504, the ADA, and the Fair Housing Act.

See PBV policies on Accessibility for People with Disabilities.

22.9.2 Housing Quality Standards **24 CFR 983.101**

The housing quality standards (HQS) for the tenant-based program generally apply to the PBV program. HQS requirements for shared housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

See HQS policies in this Plan in the Chapter on Request for Tenancy Approval, Inspections and Leasing and in the Project-Based chapter on HQS.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

22.9.3 Lead-Based Paint [24 CFR 983.101(c); Notice PIH 2019-23]

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

22.9.4 Inspecting Units

The following are the inspection types which apply to RAD units:

1. Initial Inspection RAD Quick Reference Guide; Notice PIH 2019-23

Under standard PBV regulations at 24 CFR 983.103(b), LRHA may not enter into a HAP contract until the PHA has determined all units comply with HQS. It is the responsibility of the contract administrator to perform this initial inspection (unless units are LRHA-owned). In order to accommodate projects in which repairs are conducted, HUD has waived this requirement when units are undergoing rehabilitation. In this case, units must meet HQS by the date indicated in the RAD Conversion Commitment (RCC).

2. Turnover Inspections 24 CFR 983.103(c), FR Notice 1/18/17, and Notice PIH 2017-20

See PBV policies on Inspecting Units.

3. Annual/Biennial Inspections 24 CFR 983.103(d); FR Notice 6/25/14

See PBV policies on Inspecting Units.

4. Alternative Inspections 24 CFR 983.103(g); Notice PIH 2016-05

In the case of mixed-finance properties that are subject to alternative inspections, LRHA may rely upon an alternative inspection conducted at least triennially to demonstrate compliance with inspection requirements.

5. Other Inspections 24 CFR 983.103(e)

See PBV policies on Inspections.

6. Inspecting LRHA-Owned Units 24 CFR 983.103(f); Notice PIH 2017-21

See PBV policies on Inspections.

22.9.5 Remedies for HQS Violations 24 CFR 983.208(b)

See PBV policies on Remedies for HQS Violations

22.10 HOUSING ASSISTANCE PAYMENTS (HAP) CONTRACT

22.10.1 Overview PBV Quick Reference Guide 10/14

Public housing projects converting under RAD do not employ the PBV Agreement to Enter into a Housing Assistance Payments (AHAP) contract. Instead, following the execution of all requirements contained in the Commitment to Enter into a HAP (CHAP) contract and the RAD Conversion Commitment (RCC), a project is converted immediately to the RAD PBV HAP contract following the closing of any construction financing. Owners of public housing projects converted to PBV assistance via RAD enter into a HAP contract with LRHA who will administer the PBV assistance. Units assisted under a RAD PBV HAP contract will be subject to long-term, renewable use and affordability restrictions.

22.10.2 Contract Information PBV Quick Reference Guide 10/14; Notice PIH 2019-23

The RAD PBV program uses the PBV HAP contract for new construction or rehabilitated housing (Form HUD-52530A), as modified by the RAD rider (Form HUD-52621). For closings on or after January 1, 2018, HUD incorporated the RAD rider directly into the standard PBV HAP contract. For closing that occurred prior to January 1, 2018, the RAD rider must be attached to the PBV HAP contract.

The distinction between “existing housing” and “rehabilitated and newly constructed housing” is overridden by RAD requirements. The project must also have an initial RAD use agreement. All public housing RAD conversion properties financed with LIHTC are also required to include an LIHTC rider.

22.10.3 RAD Use Agreement

The project must have an initial RAD Use Agreement that will:

- Be recorded in a superior position to all liens on the property;
- Run until the conclusion of the initial term of the HAP Contract, automatically renew upon extension or renewal of the HAP Contract for a term that coincides with the renewal term of the HAP Contract, and remain in effect even in the case of abatement or termination of the HAP Contract, unless the Secretary approves termination of the RAD Use Agreement in the case of a transfer of assistance;
- Provide that in the event that the HAP Contract is removed due to breach, non-compliance or insufficiency of Appropriations, for all units previously covered under the HAP Contract new tenants must have incomes at or below eighty percent (80%) of the area median income (AMI) at the time of admission and rents may not exceed thirty percent (30%) of eighty percent (80%) of AMI for an appropriate-size unit for the remainder of the term of the RAD Use Agreement; and
- Require compliance with all applicable fair housing and civil rights requirements, including the obligation to affirmatively further fair housing.

22.10.4 Agreement to Enter into a Housing Assistance Payment Agreement (AHAP) Waiver Notice PIH 2019-23

For public housing conversions to PBV, there will be no agreement to enter into a Housing Assistance Payments (AHAP) contract. Therefore, all regulatory references to the Agreement (AHAP), including regulations under 24 CFR Part 983 Subpart D, are waived. The definitions for proposal selection date, new construction, rehabilitation, and existing housing are not applicable.

22.10.5 Execution and Effective Date of the HAP Contract
RADblast! 7/11/16

When the conditions of the CHAP and the RCC are met and the conversion has closed, LRHA will execute the HAP contract. Project owners may select the effective date of the HAP contract as the first day of either of the two months following the completed closing.

22.10.6 Term of HAP Contract
Notice PIH 2019-23

The initial term of the HAP contract may not be for less than 15 years and may be for a term of up to 20 years upon request of the owner and with approval of the administering voucher agency.

22.10.7 Mandatory Renewal Term for RAD PBV HAP Contract
Notice PIH 2019-23

Upon expiration of the initial term of the contract, and upon each renewal term of the contract, the owner must accept each offer to renew the contract, for the prescribed number and mix of units, either on the site of the project subject to the expiring contract or, upon request of the project owner and subject to LRHA and HUD approval, at another site through a future transfer of assistance. Contracts are subject to the terms and conditions applicable at the time of each offer and further subject to the availability of appropriations for each year of each such renewal. Consequently, 24 CFR 983.205(b), governing LRHA discretion to renew the contract, will not apply.

In the event that the HAP contract is removed due to breach, non-compliance or insufficiency of appropriations, for all units previously covered under the HAP contract, new tenants must have incomes at or below 80 percent of the area median income at the time of admission and rents may not exceed 30 percent of 80 percent of median income for an appropriate size unit for the remainder of the term of the RAD use agreement.

22.10.8 Amendments to the HAP Contract

Floating Units
Notice PIH 2019-23

Upon request of the owner to the voucher agency that will administer the project, HUD will permit assistance to float among units within the project that are the same bedroom size. The unit to which assistance is floated must be comparable to the unit being replaced in quality and amenities.

If LRHA chooses to float units, units are not specifically identified on the HAP contract, rather the HAP contract must specify the number and type of units in the property that are RAD PBV units. The property must maintain the same number and type of RAD units from the time of the initial HAP contract execution forward.

Floating units are subject to all of the requirements in this chapter, the PBV regulations and PBV policies, including physical inspections, rent adjustments and income-mixing requirements.

Reduction in HAP Contract Units
Notice PIH 2019-23

Project owners are required to make available for occupancy by eligible tenants the number of assisted units under the terms of the HAP contract.

LRHA may not reduce the number of assisted units without written HUD approval. Any HUD approval of LRHA's request to reduce the number of assisted units under contract is subject to conditions that HUD may impose.

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, LRHA will reinstate the unit after the family has vacated the property. If the project is partially assisted, LRHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR 983.207, or where the development has "floating" units.

22.10.9 HAP Contract Year and Anniversary Dates 24 CFR 983.302(e)

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year. There is a single annual anniversary date for all units under a particular HAP contract.

22.10.10 Owner Responsibilities under the HAP Contract 24 CFR 983.210

When the owner executes the HAP contract, he or she certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment, and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP is leased to an eligible family referred by the PHA, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge, the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit;
- The family does not own or have any interest in the contract unit (this does not apply to the family's membership in a cooperative); and
- Repair work on the project selected as an existing project that is performed after HAP contract execution within such post-execution period as specified by HUD may constitute development activity, and if determined to be development activity, the repair work undertaken shall be in compliance with Davis-Bacon wage requirements.

22.11 SELECTION OF RAD PBV PROGRAM PARTICIPANTS

22.11.1 Overview

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

22.11.2 Returning Conversion Households

Conversion Households that were relocated from their PH unit due to the RAD conversion will be permitted to return in accordance with the RAD Relocation Plan for their project. The RAD Relocation Plan will include criteria used to determine the priority for Conversion Households to re-occupy units at the project after rehabilitation, demolition, and/or construction is completed. For example, if units come online in stages, the plan will outline how LRHA will determine when each Conversion Household will return to the project.

22.11.3 Organization of the Waiting List 24 CFR 983.251(c); Notice PIH 2019-23

The standard PBV regulations at 24 CFR 983.251 set out program requirements related to establishing and maintaining a voucher-wide, PBV program-wide, or site-based waiting list from which residents 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. Any non-RAD PBV units located in the same project are also subject to these requirements.

LRHA will establish and manage separate waiting lists for groups of projects or buildings that are receiving RAD PBV assistance.

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, LRHA will consider transferring such household, consistent with program requirements for administration of waiting lists, to LRHA's remaining public housing waiting lists 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 lists to which their application was transferred in accordance with the date and time of their application to the original waiting list.

LRHA will maintain the project-specific waiting list in accordance with all applicable civil rights and fair housing regulations found at 24 CFR 903.7(b)(2)(ii)-(iv).

LRHA will give priority to participants moving under a VAWA emergency transfer from one PBV development to another in accordance with LRHA's Emergency Transfer Plan.

22.11.4 Transfer of the Waiting List

Upon conversion, LRHA will transfer the current applicants for the RAD converted PH units to a site-based waiting list for the RAD PBV units only. LRHA reserves the right to establish new preferences for the RAD site-based waiting list. Households on the prior waiting list will automatically be placed on the site-based waiting list for the RAD PBV units based on their original date and time of application.

For transfer of assistance RAD units, LRHA will create a new waiting list for the RAD site and provide public notice on how to apply to the waiting list. LRHA has the authority to establish preferences for the new RAD site-based waiting list.

22.11.5 Selection from the Waiting List
24 CFR 983.251(c)

After conversion to RAD PBV, applicants who will occupy units with RAD PBV assistance must be selected from LRHA's waiting list. LRHA may establish selection criteria or preferences for occupancy of particular PBV units.

22.11.6 Income Targeting
24 CFR 983.251(c)(6); Notice PIH 2019-23

At least 75 percent of the families admitted to LRHA's tenant-based and project-based voucher programs during the PHA fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

Families in place at the time of the conversion are exempt from income targeting requirements. New admissions follow standard PBV requirements. Any non-RAD PBV units located in the same project are also subject to these requirements.

22.11.7 Units with Accessibility Features
24 CFR 983.251(c)(7)

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, LRHA will first refer families who require such features to the owner.

22.11.8 Preferences
24 CFR 983.251(d); FR Notice 11/24/08; Notice PIH 2019-23

LRHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units.

22.12 SCREENING
24 CFR 983.251(c)

22.12.1 Prohibited Rescreening of Conversion Households
Notice PIH 2019-23

Conversion households cannot be excluded from occupancy at the covered project based on any rescreening, income eligibility, or income targeting provisions. Consequently, conversion households 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.

Post-conversion, the tenure of all residents of the covered project is protected pursuant to PBV requirements regarding continued occupancy unless explicitly modified by Notice PIH 2019-23 (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, will not apply for conversion households. Once that remaining household moves out, the unit must be leased to an eligible family. Existing residents at the time of conversion may not be rescreened for citizenship status or have their social security numbers reverified.

Further, so as to facilitate the right to return to the assisted property, this provision must apply to current public housing residents of the converting project that will reside in non-RAD PBV units placed in a project that contain RAD PBV 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. Any non-RAD PBV units located in the same project are also subject to the right to return.

For the RAD PBV program, *in-place family* means a family who lived in a pre-conversion property at the time assistance was converted from public housing to PBV under RAD.

22.12.2 Screening of Tenants after Conversion
24 CFR 983.251(a) and (b)

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. LRHA will determine an applicant family's eligibility for the RAD PBV program in accordance with the eligibility and screening policies in this Plan.

22.12.3 Owner Screening of Tenants
24 CFR 983.255

LRHA Responsibility

See PBV policies on Leasing – LRHA Responsibility.

Owner Responsibility

See PBV policies on Leasing – Owner Responsibility

22.13 OFFER OF PBV ASSISTANCE

22.13.1 Refusal of Offer
24 CFR 983.251(e)(3)

See PBV policies on Refusal of Offer.

22.13.2 Disapproval by Landlord
24 CFR 983.251(e)(2)

See PBV chapter topic on Disapproval by Landlord.

22.13.3 Acceptance of Offer
24 CFR 983.252

Family Briefing

See PBV chapter topic on Family Briefing

Persons with Disabilities

See PBV chapter topic Persons with Disabilities.

22.13.4 Owner Tenant Selection Plan
24 CFR 983.253

See PBV chapter topic on Owner Selection of Tenants.

22.14 LEASING
24 CFR 983.253(a)

See PBV chapter topic on Leasing

22.14.1 Filling Vacancies
24 CFR 983.254(a)

See PBV policies on Filling Vacancies.

22.14.2 Lease
24 CFR 983.256

The tenant must have legal capacity to enter into a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

The tenant and the owner must enter into a written lease agreement that is signed by both parties. The tenancy addendum must include, word-for-word, all provisions required by HUD.

22.14.3 Lease Requirements
24 CFR 983.256(c); Notice PIH 2019-23

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provided by the owner; and
- The amount of any charges for food, furniture, or supportive services.

The LRHA lease will include resident procedural rights for termination notification and grievance procedures in the owner's lease. These requirements are not part of the regular PBV program but are required under RAD.

22.14.4 Initial Term and Lease Renewal
24 CFR 983.256(f); PBV Quick Reference Guide 10/14

Leases for residents who will remain in place (i.e., who will not be relocated solely as a result of conversion) must have an effective date that coincides with—and must be signed on or before—the effective date of the RAD PBV HAP contract.

The initial lease term will be for at least one year. The lease will provide for automatic renewal after the initial term of the lease in either successive definitive terms (e.g., month-to-month or year-to-year) or an automatic indefinite extension of the lease term. For automatic indefinite extension of the lease term, the lease terminates if any of the following occur:

- The owner terminates the lease for good cause
- The tenant terminates the lease
- The owner and tenant agree to terminate the lease
- The PHA terminates the HAP contract
- The PHA terminates assistance for the family

22.14.5 Changes in the Lease
24 CFR 983.256(e)

See PBV policies on Changes in the Lease.

22.14.6 Tenancy Addendum
24 CFR 983.256(d)

The tenancy addendum in the lease must state:

- The program tenancy requirements
- The composition of the household as approved by LRHA (the names of family members and any LRHA-approved live-in aide)

All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

22.14.7 Security Deposit
24 CFR 983.259; PBV Quick Reference Guide 10/14

Owners are permitted to recognize security deposit amounts that have been previously provided by tenants who are in-place at the time of the RAD conversion. Otherwise the security deposit requirements for standard PBV apply. If tenants in-place at RAD conversion have not previously been required to provide a security deposit, the owner cannot require a security deposit to be collected.

22.14.8 Owner Termination of Tenancy
24 CFR 983.257; Notice PIH 2019-23

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program. In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

Projects converting from public housing to PBV under RAD have additional procedural rights that do not apply to the standard PBV program. These procedural rights will be included in the owner’s lease as well as the LRHA’s administrative plan. In addition to the regulations at 24 CFR 983.257 related to project owner termination of tenancy and eviction the termination procedure for RAD conversions to PBV will require that LRHA provide adequate written notice of termination of the lease, which may not be less than:

- A reasonable period of time, but not to exceed 30 days:
 - If the health or safety of other tenants, LRHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - In the event of any drug-related or violent criminal activity or any felony conviction
- Not less than 14 days in the case of nonpayment of rent
- 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 will apply

These provisions apply to non-RAD PBV units located in the project as well.

22.14.9 Tenant Notification of Termination

The family may terminate the assisted lease at any time after the first year of occupancy. The family must give the owner advance written notice of intent to vacate in accordance with the lease. Before providing notice to terminate the lease, a family must contact LRHA to request comparable tenant-based rental assistance if the family wishes to move with continued assistance. If the family terminates the assisted lease before the end of one year, the family relinquishes the opportunity for continued tenant-based assistance.

22.15 OCCUPANCY

22.15.1 Overview

After an applicant has been selected from the waiting list, determined eligible by LRHA, referred to an owner, and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

22.15.2 Tenant Absence from the Unit 24 CFR 983.256(g) and 982.312(a)

See PBV policies on Tenant Absence from the Unit.

22.15.3 Continuation of Housing Assistance Payments 24 CFR 983.258; Notice PIH 2019-23

Current residents living in the property prior to conversion are placed on and remain under the HAP contract when TTP equals or exceeds gross rent. In this case, until such time as the family's TTP falls below the gross rent, the family will pay the owner the lesser of their TTP minus the utility allowance or any applicable maximum rent under the LIHTC program. The family will continue to pay this amount until/if circumstances change, and HAP is paid on their behalf. In other words, assistance may subsequently be reinstated if the tenant becomes eligible for assistance. In such cases, the resident is still considered a program participant. All of the family obligations and protections under RAD and standard 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. Any non-RAD PBV units located in the same project are also subject to these requirements.

Any new admission referred to the RAD PBV project must be initially eligible for a HAP payment at admission to the program. LRHA may request a waiver from HUD in order to admit otherwise eligible families whose TTP exceeds gross rent and to allow the units those families occupy to remain under the HAP contract even if LRHA has not paid HAP for the family in 180 days.

Further, for any new families admitted after the conversion, assistance will be terminated 180 days after the last housing assistance payment on their behalf. If a participating family who was admitted after the RAD conversion receive zero assistance and subsequently experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify LRHA of the change and request an interim reexamination before the expiration of the 180-day period.

The cessation of housing assistance payments does not affect the family's other rights under its lease, nor does it preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances if such changes occur within the 180-day window. If a family's assistance is terminated as a result of their zero HAP status, LRHA will remove the unit from the HAP contract. If the project is fully assisted, LRHA must reinstate the unit after the family has vacated the property. If the project is partially assisted, LRHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR 983.207.

22.15.4 Reexaminations PBV Quick Reference Guide 10/14

A family living in a unit converted from public housing to RAD PBV may retain its certification date. Unless a family's annual reexamination is due at the same time as the effective date of the RAD PBV HAP contract, LRHA does not need to recertify tenants at the point of conversion. For each family residing in a unit undergoing conversion of assistance under RAD, the administering PHA will have to submit a form HUD-50058 reflecting the family's admission to the voucher program. The effective date of the new admission will be the same as the effective date of the RAD PBV HAP contract. The form should include the same information previously found on the public housing form 50058, including the next annual reexamination date.

22.16 MOVES

22.16.1 Overcrowded, Under-Occupied, and Accessible Units 24 CFR 983.260; Notice PIH 2019-23

All in-place tenants at the time of conversion are eligible to remain in the project. Over-housed families should be moved into appropriately sized units if such units are available in the new or rehabbed project. If appropriately sized units are not available, the existing tenants may continue to be over-housed until an appropriately sized unit becomes available or until the tenant leaves the project. Once the unit turns over, it must be leased to an appropriately sized family. Any non-RAD PBV units located in the same project are also subject to these requirements.

Following conversion, the standard PBV regulations apply. See PBV policies on Overcrowded, Under-Occupied, and Accessible Units.

22.16.2 Family Right to Move 24 CFR 983.261

See PBV policies Family Right to Move.

22.16.3 Choice Mobility Notice PIH 2019-23

If the family wishes to move with continued tenant-based assistance, the family must contact LRHA to request the rental assistance prior to providing notice to terminate the lease. If the family terminates the lease in accordance with lease requirements, LRHA will offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If a voucher or other comparable tenant-based assistance is not immediately available, LRHA will give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

The family will remain eligible to request a choice mobility voucher as long as they continue living at the same covered project. If a family moves from one covered project to another covered project prior to completing their 12-month occupancy requirement, their 12-month clock will reset. The family must wait 12 months from the date of move at the new property before they may request another choice mobility voucher. If a family transfers to a different unit within the same covered project, the 12-month clock does not reset.

LRHA will maintain a combined, agency-wide waiting list for all standard PBV and RAD PBV families wishing to exercise mobility after one year of tenancy. Families on the choice mobility waiting list will be given priority over families on the tenant-based waiting list. The choice mobility waiting list will be organized by date and time of the family's written request to exercise choice mobility. The list will also identify whether families live in standard or RAD PBV units.

22.16.4 Turnover Cap

If as a result of RAD, the total number of PBV units (including RAD PBV units) administered by LRHA exceeds 20 percent of LRHA's authorized units under its HCV ACC with HUD, LRHA may establish a turnover cap. LRHA is not required to provide more than three-quarters of its turnover vouchers in any single year to the residents of covered projects. If LRHA chooses to establish a turnover cap and the cap is implemented, LRHA will create and maintain a waiting list in the order requests from eligible households were received.

If LRHA implements a turnover cap and families who requested a choice mobility voucher were denied due to the cap, the families will be given priority the following year when choice mobility vouchers are again issued since the choice mobility list will be organized by the date and time of the family's request.

22.16.5 Emergency Transfers under VAWA Notice PIH 2017-08

See PBV policies on Emergency Transfer Under VAWA.

22.17 EARNED INCOME DISALLOWANCE Notice PIH 2019-23

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 will not be subject to rent phase-in; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time. Any non-RAD PBV units located in the same project are also subject to these requirements.

Under the HCV program, the EID exclusion is limited to only 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 section 5.617(b) limiting EID to only persons with disabilities is waived. The waiver and resulting alternative requirement only applies to tenants receiving the EID at the time of conversion. No other tenant, such as tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion (e.g., due to loss of employment), tenants that move into the property following conversion, etc., is covered by this waiver.

22.18 RESIDENTS' PROCEDURAL RIGHTS Notice PIH 2019-23

HUD is incorporating additional termination notification requirements for public housing projects that convert assistance under RAD to PBV and to non-RAD PBV units located in the same project beyond those for the standard PBV program. In addition to the regulations at 24 CFR 983.257 related to owner termination of tenancy and eviction, the termination procedure for RAD conversions to PBV requires that LRHA provide adequate written notice of termination of the lease, which is:

- A reasonable period of time, but not to exceed 30 days:
 - If the health or safety of other tenants, project owner employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - In the event of any drug-related or violent criminal activity or any felony conviction.
- Not less than 14 days in the case of nonpayment of rent

- 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 will apply.

22.19 INFORMAL REVIEWS AND HEARINGS

Notice PIH 2019-23

In addition to reasons for an informal hearing listed at 24 CFR 982.555(a)(1)(i)–(v) (Informal Hearings for Participants), an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to an 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.

- For any hearing required under 24 CFR 982.555(a)(1)(i)–(v), the contract administrator will perform the hearing in accordance with Informal Reviews and Hearings policies in this Plan, as is the current standard in the program.
- For any additional hearings required under RAD, LRHA (as owner) will perform the hearing.

An informal hearing will not be required for class grievances or for disputes between residents not involving LRHA (as owner) or contract administrator. This hearing requirement does not apply to and is not intended as a forum for initiating or negotiating policy changes between a group or groups of residents and LRHA (as owner) or contract administrator.

The owner must give 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)–(v).

The owner must provide an opportunity for an informal hearing before an eviction.

22.20 PART 8: DETERMINING CONTRACT RENT

22.20.1 Initial Contract Rents

Notice PIH 2019-23

RAD conversions are intended to be cost-neutral, and therefore, should not exceed current public housing funding as adjusted for unit size. Since public housing units do not currently have contract rents, HUD provides an estimate of current contract rents for each PHA's public housing units based on current funding as adjusted by bedroom size. Current funding includes operating subsidy, tenant rents, capital funds, replacement housing factor funds (RHF), and demolition disposition transitional funding (DDTF). The funding may limit the amount of initial rent for a property.

LRHA may adjust subsidy (and contract rents) across multiple projects as long as LRHA does not exceed the aggregate subsidy for all of the projects LRHA has submitted for conversion under RAD.

Notwithstanding HUD's calculation of the initial contract rent based on the project's subsidy under the public housing program and any modifications made to the initial contract rent, the initial rents are set at the lower of:

- An amount determined by LRHA, not to exceed 110 percent of the fair market rent (FMR) or LRHA's exception payment standard approved by HUD minus any utility allowance
- The reasonable rent

- The rent requested by the owner

22.20.2 Adjusting Contract Rents **Notice PIH 2019-23; PBV Quick Reference Guide 10/14**

Contract rents will be adjusted annually only by HUD's operating cost adjustment factor (OCAF) at each anniversary of the HAP contract, subject to the availability of appropriations for each year of the contract term. As such, section 8(o)(13)(I) of the 1937 Act, and 24 CFR 983.301 and 983.302, concerning rent determinations, do not apply when adjusting rents.

The rent to owner may at no time exceed the reasonable rent charged for comparable unassisted units in the private market, as determined by the contract administrator in accordance with 24 CFR 983.303.

Contract rents may not exceed the reasonable rent, with the exception that the contract rent for each unit may not be reduced below the initial contract rent under the initial HAP contract.

The rent to owner may fall below the initial contract rent in the following situations:

- To correct errors in calculations in accordance with HUD requirements
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 983.55 (prohibition of excess public assistance)
- If a decrease in rent to owner is required based on changes in the allocation of responsibility for utilities between the owner and the tenant

The contract rent adjustment will be the lesser of:

- The current contract rent increased by the operating cost adjustment factor (OCAF), which is published annually in the *Federal Register*; or
- The reasonable rent

LRHA (or independent entity, if the project is LRHA-owned) is responsible for processing rent adjustments, at each contract anniversary date, in accordance with the prevailing OCAF. At least 120 days before the contract anniversary date, HUD recommends that the owner submit the OCAF rent adjustment worksheet (Form HUD-9625) to the PHA administering the PBV assistance (or the independent entity). LRHA will validate the data on the form and determine whether the rent exceeds the reasonable rent charged for comparable unassisted units in the private market, in accordance with 24 CFR 983.303. If rents would be unreasonable following application of the requested OCAF, then the rent can only be increased up to the reasonable rent. The approved rent adjustment will go into effect and the new rents to owner will take effect on the date of the contract anniversary.

22.20.3 Reasonable Rent **24 CFR 983.303**

See PBV policies on Reasonable Rent

LRHA-Owned Units

See PBV policies on Reasonable Rent – Rent for LRHA Owned Units.

22.21 UTILITY ALLOWANCES

Notice PIH 2019-23; PBV Quick Reference Guide 10/14

When contract rent amounts are set initially, the amount does not include a utility allowance. In general, the utility allowances that are used on the initial HAP contract at closing are the public housing utility allowances that are in effect prior to conversion. The CHAP must be updated prior to conversion to reflect current public housing utility allowances.

After conversion, LRHA will maintain a utility allowance schedule for tenant-paid utilities in accordance with standard PBV and HCV utility allowance regulations at 24 CFR 983.301(f)(2)(ii) and 24 CFR 982.517 respectively.

LRHA will modify this Admin Plan if, at a later date, LRHA determines that it will apply site specific utility allowances. HUD waived the requirement for the standard PBV program that the HCV utility allowance be used. If a site-specific utility allowance is used, the utility allowance is applicable to non-RAD PBV units in the project and is calculated consistent with Notice H 2015-04.

22.22 PART 9: PAYMENTS TO OWNERS

22.22.1 Housing Assistance Payments

See PBV policies on Payments to Owner.

22.22.2 Vacancy Payments 24 CFR 983.352

At the discretion of LRHA, the HAP contract may provide for vacancy payments to the owner. Such stipulation will be included in the HAP contract.

See PBV policies on Vacancy Payments.

22.22.3 Tenant Rent to Owner 24 CFR 983.353; Notice PIH 2019-23

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by LRHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the LRHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by LRHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by LRHA. The owner must immediately return any excess payment to the tenant.

22.22.4 Initial Certifications Notice PIH 2019-23

For the initial certification, LRHA will use the family's public housing tenant rent (reflected on line 10f of the family's most recent 50058) at the date of conversion to calculate HAP and tenant rent for the PBV program. LRHA will use this amount until the effective date of the earlier of the family's first regular or interim recertification following the conversion. At that point, LRHA will use the family's TTP based on the recertification and the applicable utility allowance (HCV or RAD PBV site-based, as applicable) to determine PBV HAP and tenant rent. Any non-RAD PBV units located in the same project are subject to the same requirements.

22.22.5 Tenant and LRHA Responsibilities

See PBV policies on Tenant and LRHA Responsibilities

22.22.6 Utility Reimbursements

See PBV policies on Utility Reimbursements.

22.22.7 Phase-in of Tenant Rent Increases Notice PIH 2019-23

For in-place tenants, if the amount the tenant would pay for rent and utilities (TTP) would increase by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over three years. To implement this provision, HUD is waiving section 3(a)(1) of the 1937 Act, as well as 24 CFR 983.3 (definition of *total tenant payment (TTP)*) only to the extent necessary to allow for the phase-in of tenant rent increases. For families who were on EID at the time of conversion to RAD PBV, upon the expiration of the EID, the rent adjustment is not subject to rent phase-in.

LRHA will use the family's public housing tenant rent (reflected on line 10f of the family's most recent 50058) at the date of conversion to calculate the family's tenant rent in PBV. LRHA will implement a three-year phase-in for in-place families whose TTP increases by more than the greater of 10 percent or \$25 purely as a result of the conversion as follows:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion: 33 percent of the difference between the most recently paid TTP or flat rent and the calculated PBV TTP. (If the family was paying flat rent immediately prior to conversion, the PHA will use the flat rent amount to calculate the phase-in for Year 1.)
- Year 2: Year 2 annual recertification (AR) and any interim recertification (IR): 50 percent of the difference between the most recently paid TTP or flat rent and the calculated PBV TTP
- Year 3: Year 3 AR and all subsequent recertifications: Full calculated TTP

Once the standard TTP is equal to or less than the previous TTP or flat rent, the phase-in ends, and tenants will pay full TTP from that point forward.

LRHA will communicate LRHA's phase-in policy in writing to the family at the time LRHA first determines that the family qualifies for a rent phase-in. Any non-RAD PBV units located in the same project are also subject to rent phase-in requirements.

22.22.8 Other Fees and Charges 24 CFR 983.354

Meals and Supportive Services

See PBV policies on Meals and Supportive Services and Definition of Supportive Services

Other Charges by Owner

See PBV policies on Other Charges by Owner.

22.23 PART 10: OTHER RAD REQUIREMENTS

22.23.1 Davis-Bacon

The Davis-Bacon prevailing wage requirements (prevailing wages, the Contract Work Hours and Safety Standards Act, and other related regulations, rules, and requirements) apply to all initial repairs and new construction that are identified in a project's financing plan to the extent that such repairs or construction qualify as development. "Development," as applied to work subject to Davis-Bacon requirements on Section 8 projects, encompasses work that constitutes remodeling that alters the nature or type of housing units in a PBV project, reconstruction, or a substantial improvement in the quality or kind of original equipment and materials, and is initiated within 18 months of the HAP contract. Development activity does not include replacement of equipment and materials rendered unsatisfactory because of normal wear and tear by items of substantially the same kind. Davis-Bacon requirements apply only to projects with nine or more assisted units.

22.23.2 Section 3 of the Housing and Urban Development Act of 1968 (Section 3)

Section 3 (24 CFR Part 135) applies to all initial repairs and new constructions that are identified in the project's financing plan to the extent that such repairs qualify as construction or rehabilitation. In addition, Section 3 may apply to the project after conversion based on the receipt of the use of federal financial assistance for rehabilitation activities.

22.23.3 Future Refinancing and Insurance

Owners must receive HUD approval for any refinancing or restructuring of permanent debt during the HAP contract term, to ensure the financing is consistent with long-term preservation.

22.23.4 Public Housing FSS and ROSS Participants Notice PIH 2019-23

Current PH FSS participants will continue to participate in LRHA's FSS program, and LRHAs will be allowed to use any PH FSS funds granted previously or pursuant to the current fiscal year (FY) PH FSS notice of funding availability (NOFA) to serve those FSS participants who live in units converted to RAD and who will as a result be moving to the HCV FSS program. LRHA will convert the PH FSS program participants at the covered project to their HCV FSS program.

Residents who were converted from the PH FSS program to the HCV FSS program through RAD may not be terminated from the HCV FSS program or have HCV assistance withheld due to the participant's failure to comply with the contract of participation. Consequently, 24 CFR 984.303(b)(5)(iii) does not apply to FSS participants in converted properties.

At the completion of the FSS grant, LRHA will follow the normal closeout procedures outlined in the grant agreement. If LRHA continues to run an FSS program that serves PH and/or HCV participants, LRHA will continue to be eligible (subject to NOFA requirements) to apply for FSS funding.

Current Resident Opportunities and Self-Sufficiency–Service Coordinators (ROSS–SC) program 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 public housing ROSS–SC grants.

At the completion of the ROSS-SC grant, LRHA will follow the normal closeout procedures outlined in the grant agreement. Please note that ROSS-SC grantees may be a nonprofit or local resident association and this consequence of a RAD conversion may impact those entities.

Any non-RAD PBV units located in the same project are also subject to these requirements.

22.23.5 Resident Participation and Funding Notice PIH 2019-23

Residents of covered projects converting assistance to PBVs 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.

CHAPTER 23: ENHANCED VOUCHERS

23.1 OVERVIEW OF ENHANCED VOUCHERS

Enhanced vouchers are authorized under Section 8(t) of the U.S. Housing Act of 1937. Enhanced vouchers are normally not provided in the case of HUD enforcement actions against an owner resulting in the termination of a Section 8 contract. In such cases, regular voucher assistance is usually applicable, particularly if the unit would not meet housing quality standards.

Enhanced vouchers are replacement vouchers (i.e., a replacement for the previous HUD subsidy) and so do not come out of a housing authority's regular pool of HCVs but rather from HUD. HUD provides the vouchers to the housing authority on a one-for-one replacement basis to make up for the loss of affordable housing units in the community, subject to the availability of appropriations. A voucher is considered "enhanced" only as long as the tenant who received the voucher remains in the project that was subject to the Housing Conversion Action.

If there are any vouchers remaining after LRHA assists the eligible tenants of the project, LRHA may use the vouchers to assist households on LRHA's regular HCV waiting list. In such a case, the voucher would be treated as a regular voucher without any enhanced features.

LRHA currently administers enhanced vouchers at preservation properties (private properties whose HUD subsidies have expired).

23.2 INDIVIDUAL COVERED BY ENHANCED VOUCHER PROVISIONS

A person residing in LRHA's jurisdiction is eligible for an enhanced voucher if, on the effective date of the Housing Conversion Action:

- The resident meets the income requirements;
- Any rent increase under the enhanced voucher program is in accordance with the lease agreement and program regulations; and
- The family decides to stay in the unit located in the property that was subject to the Housing Conversion Action instead of moving.

Prior to LRHA approving a family to lease a dwelling unit with enhanced voucher assistance, the following conditions must be met:

- The unit must be eligible;
- The unit must pass HQS;
- The lease must include the LRHA tenancy addendum; and
- LRHA must determine that the rent to the owner is reasonable.

23.3 PROVISIONS OF ENHANCED VOUCHERS

The following requirements apply to enhanced voucher assistance. Unless otherwise described in this chapter, standard LRHA HCV requirements generally apply to enhanced vouchers.

- Enhanced vouchers provided as a result of housing conversion actions are always tenant-based assistance. Households may move outside of LRHA's jurisdiction under the portability provisions of the voucher program. However, if a family does not remain in the property that was subject to the Housing Conversion Action, the voucher will not be considered "enhanced" and will instead be governed by standard HCV program rules.
- A higher "enhanced" payment standard will be used to determine the amount of subsidy in cases where the gross rent of the unit (rent to owner plus the utility allowance for any tenant-supplied utilities) exceeds the normally applicable LRHA payment standard. In such instances, the gross rent for the unit is used in the subsidy calculation instead of the normally applicable payment standard. This means that the tenant will not have to pay out of pocket if the gross rent is greater than the payment standard, as would be the case with a regular HCV. The enhanced payment standard policy will be applicable to the enhanced voucher so long as the tenant remains in the unit that was subject to the Housing Conversion Action.
- Notwithstanding the preceding paragraph regarding the enhanced payment standard, LRHA will not approve a unit leased with an enhanced voucher until a determination is made that the initial rent to the owner is a reasonable rent. If LRHA determines that the proposed rent is not reasonable, the landlord will have to lower the rent or the family will have to find another unit in order to benefit from the enhanced voucher subsidy.
- LRHA maintains its authority to screen potentially eligible households or deny assistance for any grounds described in this Administrative Plan. LRHA will maintain the same screening and admissions policies for households assisted with enhanced vouchers as it does for regular admissions of households from LRHA's waiting list.
- LRHA will provide a family the opportunity for an informal review if it denies the family admission to the voucher program in accordance with the HCV regulations.
- LRHA will conduct its own income determination and verification for households assisted with enhanced vouchers. At its discretion, LRHA may use the owner's most recent family income examination if:
 - The owner's current certification for the tenant is no more than six months old, and
 - LRHA determines that the owner certifications are acceptable after reviewing a small sample for accuracy.

If LRHA uses the owner's certification, LRHA will complete the subsequent tenant reexamination within one year (or such other reexamination timeframe provided in this Administrative Plan) of the date of the owner certification.

- The owner of the property is required to continue to allow the tenant holding the enhanced voucher to live at the property after the conversion action, as long as the units are used for rental housing and are otherwise eligible for HCV assistance in accordance with the requirements of this chapter and the Administrative Plan. The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause.
- LRHA will issue enhanced vouchers according to LRHA's established subsidy standards, not the actual size of the unit the family is currently occupying. If the bedroom size of the tenant's unit exceeds the number of bedrooms for which the tenant qualifies under the LRHA subsidy standards, the tenant is considered to be over-housed.

- If a family chooses to move from the project at any time, the normal LRHA HCV tenant-based program rules apply to the subsidy calculation for the new unit; the voucher will no longer be considered as “enhanced.”
- LRHA will provide households with search time that is reasonably required to locate housing and will grant exceptions and extensions on a case by case basis.
- LRHA will use the same rent reasonable standards regardless of whether the vouchers are standard HCV vouchers or enhanced.
- LRHA will not approve any temporary or short-term leases between the owner and family. The initial lease term will be for one year unless LRHA determines that a shorter term would improve housing opportunities for the tenant and such shorter term is the prevailing local market practice.
- All units leased with enhanced vouchers must meet the HQS standards of the tenant-based HCV Program regardless of whether the family is residing in a unit that was previously assisted under a Section 8 unit-based contract. LRHA will not issue any housing assistance payments for any period of time prior to the date that the unit is inspected and meets HQS.
- LRHA will execute the HAP contract within 60 calendar days after the beginning of the lease term.
- If a family chooses to stay in a unit where a property has undergone a conversion action, the lease term will not be effective prior to the target date of the Housing Conversion Action. LRHA may approve a tenancy that begins before the target date of the conversion action for a family that is moving from the property.
- LRHA will maintain records of eligibility determinations for households who are income eligible for an enhanced voucher, but there is no HAP payment because the family’s total tenant payment equals or is greater than the gross rent.
- When a family moves from a project the voucher will become a regular tenant-based voucher, thus the voucher will no longer be enhanced. At that time, LRHA will apply the normally applicable payment standards in determining the family’s housing assistance payment.

23.4 OVER-HOUSED FAMILIES WITH ENHANCED VOUCHERS

When LRHA determines the family is over-housed, LRHA will inform the family and explain the requirements for over-housed families. If the family indicates it wishes to remain at the project with enhanced voucher assistance, LRHA will inform the owner of the project that the family is in an over-sized unit. LRHA will also provide the owner with the bedroom size for which the family actually qualifies under LRHA’s subsidy standards (i.e., the appropriate size unit).

The owner must then identify all appropriate size units that are available in the project. An “appropriate size unit” also includes an available bedroom size unit that is smaller than the family’s current unit but is not smaller than the appropriate size unit for which the family qualifies under LRHA’s subsidy standards.

The over-housed family must move to an appropriate size unit in the project if one is available in order to receive enhanced voucher assistance. The family and owner will enter into a lease and LRHA will execute a voucher housing assistance payments (HAP) contract on behalf of the family for the appropriate size unit to which the family moves. The enhanced voucher housing assistance payment calculation is based on the gross rent of the appropriate size unit.

If an over-housed enhanced voucher family refuses to move to the appropriate size unit, and one exists and is available for occupancy, LRHA will calculate the family’s housing assistance payment for the over-sized unit based on the normally applicable voucher subsidy formula using the applicable payment standard

established by LRHA for the voucher program. The family will be responsible for any amount of the gross rent not covered by the housing assistance payment.

If an appropriate size unit is not available, but a unit with fewer bedrooms sufficient for the family is available, the family must move to the smaller unit within a reasonable time. LRHA defines “reasonable time,” to be 30 days.

If there are no appropriate size units, the family may remain in their over-sized unit and the value of their EV will be based on rent of the over-sized unit. Once an appropriate size unit becomes available, the family must move to it, again within a reasonable time not to exceed 30 days.

23.5 ENHANCED VOUCHER MINIMUM RENT

LRHA will calculate the enhanced voucher minimum rent for each eligible family

Minimum rent for an enhanced voucher is the greater of:

- 30 percent of the family’s monthly adjusted income, or
- The dollar amount the family was paying towards rent and utilities on the conversion date.

However, if the family’s income decreases by 15 percent or more, the enhanced voucher minimum rent is calculated using the percentage of adjusted income the family was paying at the time of conversion. The family’s minimum rent will then continue to remain based on the percentage of adjusted income the family was paying at the time of conversion until the family’s income increases to the point where the dollar value of the minimum rent established by the percentage of income is greater than the original enhanced voucher rent; at this point, the minimum rent reverts to the original enhanced voucher minimum rent (i.e., the greater of 30 percent of the family’s adjusted income or the dollar amount the family was paying towards rent and utilities on the conversion date). In other words, the minimum rent may never exceed the amount the family was paying toward rent and utilities at the time of conversion.

If the family moves from the conversion property, the enhanced voucher minimum rent no longer applies to the household.

23.6 CONVERSION OF ENHANCED VOUCHERS TO TENANT-BASED VOUCHERS

If a family moves from a unit, the enhanced voucher becomes a tenant-based voucher and stays with the family.

CHAPTER 24: SPECIAL HOUSING TYPES

24.1 OVERVIEW

Families will not be permitted to use any special housing types unless use is needed as a reasonable accommodation so that the program is readily accessible to a person with disabilities. LRHA also may limit the number of families who receive HCV assistance in these housing types. No special funding is provided for special housing types. In the event, as a reasonable accommodation, a family is permitted to use HUD approved special housing types, LRHA will follow the applicable regulatory requirements in [24 CFR 982 Subpart M: Special Housing Types](#).

Special housing types include:

1. Single room occupancy (SRO) housing;
2. Congregate housing;
3. Group home;
4. Shared housing;
5. Manufactured home; and
6. Cooperative housing (excluding families that are not cooperative members).

24.2 SINGLE ROOM OCCUPANCY

A single room occupancy (SRO) unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the number of units in an SRO facility, but the size of a facility may be limited by local ordinances.

When providing HCV assistance in an SRO unit, a separate lease and HAP contract are executed for each assisted person, and the standard form of the HAP contract is use

See [24 CFR 982.602 - 982.605](#).

24.2.1 Payment Standard, Utility Allowance, and HAP Calculation

The payment standard for SRO housing is 75 percent of the zero-bedroom payment standard amount on LRHA's payment standard schedule. The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero-bedroom utility allowance. The HAP for an assisted occupant in an SRO facility is the lower of the SRO payment standard amount minus the TTP or the gross rent for the unit minus the TTP.

24.2.2 Housing Quality Standards

The requirements described in the chapter on [HOUSING QUALITY STANDARDS](#) apply to SRO except as modified by 24 CFR 982.602 – 982.605.

Because no children live in SRO housing, the housing quality standards applicable to lead-based paint do not apply.

24.3 CONGREGATE HOUSING

Congregate housing is intended for use by elderly persons or persons with disabilities. A congregate housing facility contains a shared central kitchen and dining area and a private living area for the individual household that includes at least a living room, bedroom and bathroom. Food service for residents must be provided.

If approved by LRHA, a family member or live-in aide may reside with the elderly person or person with disabilities. LRHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in congregate housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

See [24 CFR 982.606 - 982.609](#).

24.3.1 Payment Standard, Utility Allowance, and HAP Calculation

The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area. If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), LRHA must use the payment standard for a zero-bedroom unit. If the unit has two or more rooms (other than the bathroom and the kitchen), LRHA must use the one-bedroom payment standard.

The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP.

The gross rent for the unit for the purpose of calculating HCV assistance is the shelter portion (including utilities) of the resident's monthly housing expense only. The residents' costs for food service should not be included in the rent for a congregate housing unit.

24.3.2 Housing Quality Standards

The requirements described in the chapter on [HOUSING QUALITY STANDARDS](#) apply to congregate housing except as modified by 24 CFR 982.606 – 982.609.

24.4 GROUP HOME

A group home is a state-licensed facility intended for occupancy by elderly persons and/or persons with disabilities. Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly persons or persons with disabilities. Persons living in a group home must not require continuous medical or nursing care.

A group home consists of bedrooms for residents, which can be shared by no more than two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.

No more than 12 persons may reside in a group home including assisted and unassisted residents and any live-in aides.

If approved by LRHA, a live-in aide may live in the group home with a person with disabilities. LRHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in a group home, a separate lease and HAP contract is executed for each assisted family, and the standard form of the HAP contract is used.

See [24 CFR 982.610 - 982.614](#).

24.4.1 Payment Standard, Utility Allowance, and HAP Calculation

Unless there is a live-in aide, the family unit size for an assisted occupant of a group home must be zero- or one-bedroom, depending on LRHA's subsidy standard. If there is a live-in aide, the aide must be counted in determining the household's unit size.

The payment standard used to calculate the HAP is the lower of the payment standard for the family unit size or the prorata share of the payment standard for the group home size. The prorata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home.

The HAP for an assisted occupant in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP.

The utility allowance for an assisted occupant in a group home is the prorata share of the utility allowance for the group home.

The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness. The rent for an assisted person must not exceed the prorata portion of the reasonable rent for the group home. In determining reasonable rent, the PHA should consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

24.4.2 Housing Quality Standards

The requirements described in the chapter on [HOUSING QUALITY STANDARDS](#) apply to group homes except as modified by 24 CFR 982.610 – 982.614.

24.5 SHARED HOUSING

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons. The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family.

If approved by LRHA, a live-in aide may reside with the family to care for a person with disabilities. LRHA will approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

See [24 CFR 982.615 - 982.618](#).

24.5.1 Payment Standard, Utility Allowance, and HAP Calculation

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size or the prorata share of the payment standard for the shared housing unit size.

The prorata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit.

The HAP for a family in shared housing is the lower of the payment standard minus the TTP or the gross rent minus the TTP. The utility allowance for an assisted family living in shared housing is the lower of the utility allowance for the family unit size (voucher size) or the prorata share of the utility allowance for the shared housing unit.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the pro-rata portion of the reasonable rent for the shared unit. In determining reasonable rent, LRHA should consider whether sanitary and food preparation areas are private or shared.

24.5.2 Housing Quality Standards

LRHA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards. The requirements described in the chapter on **HOUSING QUALITY STANDARDS** apply to shared housing except as modified by 24 CFR 982.616 – 982.618.

24.6 COOPERATIVE HOUSING

This part applies to rental assistance for a cooperative member residing in cooperative housing. It does not apply to assistance for a cooperative member who has purchased membership under the HCV homeownership option, or to rental assistance for a family that leases a cooperative housing unit from a cooperative member.

A cooperative is a form of ownership (nonprofit corporation or association) in which the residents purchase memberships in the ownership entity. Rather than being charged *rent* a cooperative member is charged a *carrying charge*.

When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used.

See [24 CFR 982.619](#).

24.6.1 Payment Standard, Utility Allowance, and HAP Calculation

The payment standard and utility allowance are determined according to regular HCV program requirements.

The HAP for a cooperative housing unit is the lower of the payment standard minus the TTP or the monthly carrying charge for the unit, plus any utility allowance, minus the TTP. The monthly carrying charge includes the member's share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. The carrying charge does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

24.6.2 Housing Quality Standards

All standard **HOUSING QUALITY STANDARDS** requirements apply to cooperative housing units.

24.7 MANUFACTURED HOMES

A manufactured home is a manufactured structure, transportable in one or more parts, that is built on a permanent chassis, and designed for use as a principal place of residence. HCV-assisted families may occupy manufactured homes in two different ways:

- A family can choose to rent a manufactured home already installed on a space and LRHA will permit it. In this instance, program rules are the same as when a family rents any other residential housing, except that there are special HQS requirements as provided below.
- HUD also permits an otherwise eligible family that owns a manufactured home to rent a space for the manufactured home and receive HCV assistance with the rent for the space. LRHA may, but is not required to, provide assistance for such families.

See [24 CFR 982.620-982.221](#) and [24 CFR 982.622 - 982.624](#).

24.7.1 Special Policies for Manufactured Home Owners Who Lease a Space

Family Income

In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.

Lease and HAP Contract

There is a separate Tenancy Addendum (Form 52642-a) and separate HAP Contract (Form 52642) for this special housing type.

24.7.2 Payment Standard, Utility Allowance, and HAP Calculation

Payment Standards

The LRHA payment standard for manufactured homes is determined in accordance with 24 CFR 982.505 and is the payment standard used for LRHA's HCV program. It is based on the applicable FMR for the area in which the manufactured home space is located.

The payment standard for the family is the lower of the family unit size (voucher size) or the payment standard for the number of bedrooms in the manufactured home.

Utility Allowance

LRHA must establish utility allowances for manufactured home space rental. For the first 12 months of the initial lease term only, the allowance must include an amount for a utility hook-up charge if the family actually incurred a hook-up charge because of a move. This allowance will not be given to a family that leases in place. Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.

If the amount of the monthly assistance payment for a family exceeds the monthly rent for the manufactured home space (including the owner's monthly management and maintenance charges), LRHA may pay the remainder to the family, lender, or utility company.

Space Rent

The rent for the manufactured home space (including other eligible housing expenses) is the total of:

- The rent charged for the manufactured home space;
- Owner maintenance and management charges for the space;
- The monthly payments made by the family to amortize the cost of purchasing the manufactured home, including any required insurance and property taxes; and

- The applicable allowance for tenant-paid utilities.

Amortization Costs

The monthly payment made by the family to amortize the cost of purchasing the manufactured home is the debt service established at the time of application to a lender for financing the purchase of the manufactured home if monthly payments are still being made. Any increase in debt service due to refinancing after purchase of the home may not be included in the amortization cost. Debt service for set-up charges incurred by a family may be included in the monthly amortization payments made by the family. In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize the charges.

Housing Assistance Payment

The HAP for a manufactured home space under the housing choice voucher program is the lower of the payment standard minus the TTP or the manufactured home space rent (including other eligible housing expenses) minus the TTP.

Rent Reasonableness

Initially, and annually thereafter LRHA must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. LRHA must consider the location and size of the space, and any services and maintenance to be provided by the owner. By accepting the monthly HAP check, the owner certifies that the rent does not exceed rents charged by the owner for comparable unassisted spaces in the manufactured home park or elsewhere.

24.7.3 Housing Quality Standards

The requirements described in [HOUSING QUALITY STANDARDS](#) apply to manufactured homes. In addition, the following requirement applies:

Manufactured Home Tie-Down

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage. The home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.

CHAPTER 25: PROGRAM INTEGRITY

25.1 INTRODUCTION

LRHA is committed to ensuring that subsidy funds made available to LRHA are spent in accordance with HUD requirements. Further, LRHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This chapter covers HUD and LRHA policies designed to prevent, detect, investigate, and resolve instances of program abuse or fraud. It also describes the actions that will be taken in the case of unintentional errors and omissions.

25.2 PREVENTING ERRORS AND PROGRAM ABUSE

To ensure that LRHA's HCV program is administered effectively and according to the highest ethical and legal standards, LRHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare. This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by tenants.

LRHA will work to increase tenant awareness of the importance of program integrity using a variety of methods, including but not limited to, briefing sessions, distribution of informational brochures, use of instructive signs and warnings, and employee training.

For purposes of this chapter, the term *error* refers to an unintentional error or omission. *Program abuse or fraud* refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

25.3 DETECTING ERRORS AND PROGRAM ABUSE

In addition to taking steps to prevent errors and program abuse, LRHA will use a variety of activities to detect errors and program abuse.

25.3.1 Quality Control and Analysis of Data

LRHA will employ a variety of methods to detect errors and program abuse.

- LRHA routinely will use available sources of upfront income verification to compare with family-provided information.
- At each regular reexamination, current information provided by the family will be compared to information provided at the last regular reexamination to identify inconsistencies and incomplete information.
- LRHA will compare family-reported income and expenditures to detect possible unreported income.

25.3.2 Audits and HUD Monitoring

OMB Circular A-133 requires all PHAs that expend \$500,000 or more in federal awards annually to have an independent audit (IPA). In addition, HUD conducts periodic on-site and automated monitoring of LRHA activities and notifies LRHA of errors and potential cases of program abuse.

LRHA will use the results reported in any internal, independent, or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of LRHA's error detection and abuse prevention efforts.

25.3.3 EIV Reports

LRHA will review EIV reports as required by HUD and ensure any corrections are made within 60 calendar days from identification of the discrepancy.

In the case of any discrepancies between what is reported by the household and what the EIV shows, LRHA will follow the protocol as outlined in this chapter.

25.4 INVESTIGATION

LRHA will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for LRHA to investigate, the allegation must contain at least one independently verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

LRHA will investigate when inconsistent information related to the family that is identified through file reviews and the verification process.

Investigated complaints may include, but are not limited to, the following:

- Unreported income;
- Fraud;
- Failure to report a change in household composition;
- Unauthorized occupancy;
- Subletting;
- Participant vacating without notice;
- Owner overcharging participants;
- Housing Quality Standards violations;
- Illegal drug activity;
- Violent criminal activity;
- Activities that threaten the right to peaceful enjoyment of the premises by other residents; and
- Nuisance.

LRHA cooperates with local police and other appropriate agencies when complaints are received from individuals regarding units that are not owned or operated by LRHA, but are owned by landlords participating in one of LRHA's assisted housing programs. This cooperation includes sharing pertinent information and acting as liaison between the local police or other agencies and the owner.

25.4.1 Consent to Release of Information

LRHA may investigate possible instances of error or abuse using all available LRHA and public records. If necessary, LRHA will require HCV families to sign consent forms for the release of additional information.

25.4.2 Analysis and Findings

LRHA will base its evaluation on a preponderance of the evidence collected during its investigation. See policies on [Evidence - Terminations](#) for a definition of *preponderance of evidence*.

For each investigation LRHA will determine:

- Whether an error or program abuse has occurred;
- Whether any amount of money is owed to LRHA; and
- Which corrective measures or penalties will be assessed.

25.4.3 Consideration of Remedies

All errors and instances of program abuse will be corrected. Whether LRHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

In the case of family-caused errors or program abuse, LRHA may take into consideration:

- The seriousness of the offense and the extent of participation or culpability of individual family members;
- Any special circumstances surrounding the case;
- Any mitigating circumstances related to the disability of a family member;
- The effects of a particular remedy on family members who were not involved in the offense.

In the case of owner-caused errors or program abuse, LRHA may take into consideration:

- The seriousness of the offense,
- The length of time since the violation has occurred; and
- The effects of a particular remedy on family members who were not involved in the offense.

25.4.4 Notice and Appeals

LRHA will timely inform the relevant party in writing of its findings and remedies. The notice will include:

- A description of the error or program abuse;
- The basis on which LRHA determined the error or program abuses;
- The remedies to be employed; and
- The family's right to appeal the results through the informal review or hearing process, if applicable (see [INFORMAL REVIEWS AND HEARINGS](#)).

25.5 LRHA-CAUSED ERRORS OR PROGRAM ABUSE

The responsibilities and expectations of LRHA staff with respect to normal program administration are discussed throughout this plan. This section specifically addresses actions of a LRHA staff member that

are considered errors or program abuse related to the HCV program. Additional standards of conduct may be provided in LRHA personnel policy.

LRHA-caused incorrect subsidy determinations include, but are not limited to:

- Failing to correctly apply program rules regarding household composition, income, assets, and/or deductions;
- Assigning the incorrect voucher size to a family;
- Errors in calculation (including but not limited to: incorrect housing assistance payments, family share of rent, or utility reimbursements).

25.5.1 Prohibited LRHA Staff Actions

Any of the following will be considered evidence of program abuse by LRHA staff:

- Failing to comply with any HCV program requirements for personal gain;
- Failing to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant, participant, or owner;
- Seeking or accepting anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to LRHA;
- Disclosing confidential or proprietary information to outside parties;
- Gaining profit as a result of insider knowledge of LRHA activities, policies, or practices;
- Misappropriating or misusing HCV funds;
- Destroying, concealing, removing, or inappropriately using any records related to the HCV program;
- Committing any other corrupt or criminal act in connection with any federal housing program.

25.5.2 Corrections

LRHA will seek to ensure that the correct level of assistance is given to each subsidized household in accordance with this Plan. In cases where LRHA determines that there has been an incorrect subsidy determination—whether it is an overpayment or underpayment of subsidy—LRHA will promptly correct housing assistance payment (HAP), family share, and any utility reimbursement prospectively.

In cases where there has been an overpayment of subsidy due to LRHA error:

- Participants will not be required to repay the amount;
- Owners will not be required to repay the amount except in the cases where the error results in the combination of the family share of rent and the HAP exceeding the reasonable rent stated in the HAP contract.

In cases where there has been an underpayment of subsidy due to LRHA error, LRHA will determine the amount of rent the household should have paid, and refund to the household the difference between that amount and what they actually paid. If the household is due a refund of rent due to LRHA error but owes LRHA or the landlord rent, LRHA may choose to retain the amount owed (if due to LRHA), or pay the amount due or a portion thereof directly to the owner on behalf of the family rather than to the family directly.

LRHA will not reimburse the family for any underpayment of assistance when the underpayment clearly is caused by the family.

25.6 FAMILY-CAUSED ERRORS AND/OR PROGRAM ABUSE

Family obligations and general administrative requirements for participating in the program are discussed throughout this Plan. This section deals specifically with errors and program abuse by family members.

An incorrect subsidy determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows LRHA to use incorrect information provided by a third party.

LRHA will not reimburse the family for any overpayment of family share of rent when the family causes the overpayment.

25.6.1 Prohibited Family Actions

An applicant or participant family must not knowingly engage in any HCV program abuse, including but not limited to making a false statement to LRHA and/or committing fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program. Any of the following will be considered evidence of family program abuse:

- Payment to the owner in excess of amounts authorized by LRHA for rent, security deposit, and additional services;
- Offering bribes or illegal gratuities to the LRHA Board of Commissioners, employees, contractors, or other LRHA representatives;
- Offering payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to the LRHA on the family's behalf;
- Use of a false name or the use of falsified, forged, or altered documents;
- Intentional misreporting of family information or circumstances (e.g., income, family composition);
- Omitted facts that were obviously known by a family member (e.g., not reporting employment income);
- Admission of program abuse by an adult family member;

LRHA may determine other actions to be program abuse based upon a preponderance of the evidence.

25.6.2 Applicant/Participant Penalties for Program Abuse

In the case of program abuse caused by a family, LRHA may, at its discretion, impose any of the following remedies.

- Require the family to repay excess subsidy amounts paid by LRHA;
- Require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit;
- Deny or terminate the family's assistance (see [TERMINATION](#)); or

- Refer the family for state or federal criminal prosecution.

25.6.3 Family Reimbursement to LRHA

In the case of family-caused errors, program abuse, or resumption of minimum rent after a temporary hardship, the family will be required to repay all amounts due. LRHA may, but is not required to, offer the family a repayment agreement. If the family fails to repay the amount due or refuses to enter into an offered repayment agreement, LRHA may terminate the family's assistance.

25.7 OWNER-CAUSE ERRORS AND/OR PROGRAM ABUSE

Owner requirements that are part of the regular process of offering, leasing, and maintaining a unit (e.g., HQS compliance, fair housing) are addressed in the appropriate chapters of this Plan. This section focuses on errors and program abuse by owners.

An incorrect subsidy determination caused by an owner generally would be the result of an incorrect owner statement about the characteristics of the assisted unit (i.e., the number of bedrooms, which utilities are paid by the family). Owner error or abuse also includes accepting duplicate housing assistance payments for the same unit in the same month, or after a family no longer resides in the unit.

25.7.1 Prohibited Owner Actions

An owner participating in the HCV program must not make any false statements to LRHA and/or commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program including, but not limited to:

- Charging the family rent above or below the amount specified by LRHA;
- Charging a security deposit other than that specified in the family's lease;
- Charging the family for services that are provided to unassisted tenants at no extra charge;
- Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit;
- Knowingly accepting incorrect or excess housing assistance payments;
- Offering bribes or illegal gratuities to LRHA's Board of Commissioners, employees, contractors, or other LRHA representatives;
- Offering payments or other incentives to a subsidized family as an inducement for the family to make false or misleading statements to LRHA;
- Residing in the unit with an assisted family;
- Committing sexual or other harassment, either quid pro quo or hostile environment based on a protected class as noted in the chapter on [FAIR HOUSING & EQUAL OPPORTUNITY](#);
- Retaliating against any applicant or participant reporting/alleging sexual or other harassment, either quid pro quo or hostile environment based on a protected class as noted in the chapter on [FAIR HOUSING & EQUAL OPPORTUNITY](#).

25.7.2 Owner Remedies and Penalties for Program Abuse

When LRHA determines that the owner has committed program abuse, LRHA may take any of the following actions:

- Require the owner to repay excess housing assistance payments;
- Terminate the HAP contract;
- Bar the owner from future participation in any LRHA programs;
- Refer the case to state or federal officials for criminal prosecution.

25.7.3 Owner Reimbursement to LRHA

In all cases of overpayment of subsidy caused by the owner, the owner must repay to LRHA any excess subsidy received.

25.8 DEBTS OWED TO LRHA

Households and owners must pay all debts owed to LRHA regardless of whether a repayment agreement is offered.

25.8.1 Applicant Debt

When an applicant currently owes LRHA money from a previous public housing residency, HCV program participation, or participation in any other subsidized housing program, they must fully repay the debt. See [DEBT SCREENING](#) for policies on applicant repayment of prior debt.

25.8.2 Participant Debt

Participants are required to reimburse LRHA if they were charged less rent than required by LRHA's rent formula due to the participant's underreporting or failure to report income. Families will be required to reimburse LRHA for the difference between what the family share of rent should have been against the family rent that was charged and paid. This amount is referred to as *retroactive rent*. LRHA will determine retroactive rent as far back as LRHA has documentation of family reported income.

25.8.3 Owner Debt

In all cases of overpayment of subsidy caused by the owner, the owner must repay to LRHA any excess subsidy received.

25.9 DETERMINING FRAUD

LRHA must determine whether any incorrect reporting was intentional or unintentional. Regardless of that determination, participants must repay the full amount owed or enter a repayment agreement (if offered by LRHA) within 30 days of receiving notice of the debt. In cases where the incorrect reporting was unintentional and the family has not otherwise a committed program violation where termination is required, LRHA will offer the family a repayment agreement. In all other circumstances involving incorrect reporting by the family, LRHA may offer a repayment agreement at its sole discretion.

25.9.1 Factors Used to Determine Whether Misreporting is Intentional or Unintentional

When deciding whether the family's reporting was intentional or unintentional, and whether to enter into a repayment agreement with the family, LRHA will consider the family's history of meeting its family obligations under the housing program, including any history of fraud. LRHA will consider the facts as noted under [Consideration of Remedies](#); additionally, it will consider:

- The amount owed by the family;
- The reason for the debt;
- The family's current and potential income and expenses; and
- Any other information that is relevant to the case.

25.9.2 Intentional Misreporting

Misreporting will be considered **intentional** and fraudulent when the participant:

- Knowingly provides inaccurate or incomplete information;
- Knowingly allows LRHA to use incorrect information provided by a third party; and/or
- Fails to report when required any income or household composition changes that would result in an increase in the family share of rent when the act was done repeatedly (i.e., not a one-time or accidental occurrence) or there was prior determination of fraudulent intent or conviction.

LRHA will substantiate fraud/intentional incorrect reporting through documentation. See [LRHA Actions When Misreporting is Determined](#).

25.9.3 Unintentional Misreporting

Misreporting will be considered **unintentional** when a participant's failure to report information was not done deliberately or with an intention to deceive. See [LRHA Actions When Misreporting is Determined](#).

25.9.4 LRHA Actions When Misreporting is Determined

Regardless of the amount owed, LRHA will send a notice to the family to contact the agency concerning the debt.

In cases of substantiated fraud/intentional misreporting, LRHA may terminate the household's assistance and may file a civil and/or criminal action for recovery of overpayment of subsidy. LRHA may at its sole discretion take any of the actions as described in this Plan.

25.10 REPAYMENT AGREEMENTS

The term *repayment agreement* refers to a formal document signed by a participant or owner and LRHA in which a participant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

All repayment agreements will be in writing and will be signed and dated by the head of household and LRHA. Additionally, repayment agreements will include the amount owed, down-payment, monthly repayment payments and related time periods for such payments.

Where renegotiation of the terms of a repayment agreement is concerned, this may be at the family's request or by LRHA. For example, if a family's income decreases, the family may request renegotiation, and if a family's income increases, LRHA may initiate renegotiation of the repayment agreement.

The circumstances in which LRHA will not enter into a payment agreement are, as follows:

- If the family already has a payment agreement in place; or

- If the amount exceeds the federal or state threshold for criminal prosecution.

25.10.1 Repayment Agreement Terms

The maximum length of time LRHA will enter into a payment agreement with a family is six months. All payments are due by the close of business on the first day of the month. If the first does not fall on a business day, the due date is the close of business on the first business day after the first.

LRHA will require the family to make an initial payment toward the debt. However, a family may make an initial payment beyond what LRHA requires in order to reduce or eliminate the monthly repayment amount.

For all repayment agreements, the family must make a down payment equal to one-third of the debt; the remaining two thirds of the debt must be paid within six months. However, LRHA reserves the right to modify the maximum term or amount on a case-by-case basis. Terms may be renegotiated if a household's income increases or decreases.

If a family can provide evidence satisfactory to LRHA that the threshold applicable to the family's debt would impose an undue hardship, LRHA may, in its sole discretion, determine that a lower monthly payment amount is reasonable and/or lengthen the time in which the debt must be paid. In making its determination, LRHA will consider all relevant information, including the following:

- The amount owed by the family to LRHA;
- The reason for the debt, including whether the debt was the result of family action/inaction or circumstances beyond the family's control;
- The family's current and potential income and expenses;
- The family's current family share;
- The family's history of meeting its financial responsibilities.

25.10.2 Transfers and Payment Agreements

If the family requests a move and has a payment agreement in place and the payment agreement is not in arrears, the family will be permitted to move. Exceptions for families who are in arrears will be considered on a case-by-case basis and make take into account situations including but not limited to emergencies, reasonable accommodations and occupancy standards.

25.10.3 Zero Income Households and Hardship Exemptions

If a household owes any debt to LRHA and is at zero income, LRHA will:

- Verify the household is at zero income in accordance with the applicable program's Zero Income Households policy (see [Zero Income Household](#)); and
- Require the debt be paid in full within 6 months.

If a household requests a hardship exemption from paying the minimum rent, LRHA will follow the policies under [MINIMUM RENT HARDSHIP EXEMPTION](#); however, the household must still make payments on the repayment agreement.

25.10.4 Limit on the Number of Repayment Agreements Allowed

LRHA will not enter into more than one repayment agreement with a family. If there is a second claim while they are an applicant and/or participant, the second claim must be paid in full within 30 days. LRHA reserves the right to terminate assistance for the second incidence of misreporting.

25.10.5 Consequences of Nonpayment/Default

If the family refuses to repay the debt, refuses to enter into an offered repayment agreement, or breaches a repayment agreement (including failure to make payments as required), LRHA may terminate the family's assistance in accordance with LRHA's termination policies and/or applicable program regulations. LRHA may also pursue other modes of collection. LRHA will not offer any LRHA-sponsored amnesty or debt forgiveness programs.

If a family enters into a repayment agreement but does not make monthly payments as required, the family will only be considered in default if the debt is not repaid in full at the end of the six-month period (or LRHA agreed-upon time as applicable).

If a family that is being terminated for failure to pay a debt in full, pays the entire debt in full on or before the date of the termination hearing, the family may be reinstated to the program.

25.11 INFORMAL HEARINGS

Households may request an informal hearing on any adverse action in accordance with **INFORMAL HEARINGS – PARTICIPANTS**. However, households may not request a hearing regarding the existence of a repayment agreement.

25.12 CRIMINAL PROSECUTION

When LRHA determines that program abuse has occurred by a participant, owner, or LRHA staff and the amount of overpaid subsidy meets or exceeds the threshold for prosecution under local or state law, LRHA will refer the matter to the appropriate entity for prosecution.

When the amount of overpaid assistance in federally funded programs meets or exceeds the federal threshold or \$25,000, whichever is lower, the case will also be referred to the HUD Office of Inspector General (OIG).

When the program abuse involves a criminal enterprise and/or multiple parties are involved, the case will be referred to the HUD OIG and/or the Virginia Office of the State Inspector General.

Other criminal violations related to any subsidized housing program will be referred to the appropriate local, state, or federal entity.

25.13 RECOVERY OF FUNDS

Where the LRHA is the principal party initiating or sustaining an action to recover amounts from families or owners that are due as a result of fraud and abuse, LRHA may retain a portion of the amount of voucher program funds it recovers.

LRHA will be the principal party initiating or sustaining the action to recover amounts due from tenants that are due as a result of fraud and abuse. 24 CFR 792.202 permits LRHA to retain the greater of:

- 50 percent of the amount it actually collects from a judgment, litigation (including settlement of a lawsuit) or an administrative repayment agreement, or
- Reasonable and necessary costs that the PHA incurs related to the collection including costs of investigation, legal fees, and agency collection fees.

The family must be afforded the opportunity for an informal hearing in accordance with requirements in this Plan.

If HUD incurs costs on behalf of LRHA related to the collection, these costs will be deducted from the amount retained by LRHA.

If the family has forfeited their FSS escrow account, any remaining funds will be treated as program receipts for payment of program expenses under the LRHA budget for the applicable HCV program, and shall be used in accordance with HUD requirements governing the use of program receipts.

The amount(s) retained by LRHA must go to its administrative fee reserves/UNP; see [Notice PIH 2015-17](#).

25.13.1 Recoveries Not Retained by LRHA

LRHA will not retain recoveries:

- In cases of owner fraud in units LRHA owns or controls (that is, LRHA may not benefit from owner fraud when it is the owner or otherwise controls the unit(s) in question); and/or
- In cases where incorrect payments were made or benefits received due to LRHA's calculation errors.

In non-fraud cases where LRHA cannot require repayment by a family or owner, the amounts (i.e., the difference between what was paid and what should have been paid) must come out of LRHA's administrative fee reserve, also known as the Unrestricted Net Position (UNP).

25.13.2 Recordkeeping of Recoveries

To permit the audit of the amounts retained, LRHA must maintain all records HUD/Virginia (as applicable) requires, including:

- Recovered amounts;
- Nature of the judgment or repayment agreement; and
- Amount of legal fees and expenses incurred in obtaining the judgment or repayment agreement and recovery.

25.14 SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP)

The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure LRHA's performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating for each public housing authority (PHA) as high performing, standard, or troubled. Scores on individual SEMAP indicators, as well as overall SEMAP ratings, can affect LRHA in funding and specific HUD requirements.

LRHA will submit the HUD-required SEMAP certification form within the prescribed time to HUD.

25.14.1 SEMAP Certification

LRHA will submit the HUD-required SEMAP certification form within 60 calendar days after the end of its fiscal year.

HUD Verification Method

Several of the SEMAP indicators are scored based on a review of a quality control sample selected for this purpose. LRHA will select an unbiased sample that provides an adequate representation of the types of information to be assessed, in accordance with SEMAP requirements.

If the HUD verification method for the indicator relies on data in the Form-50058 module (formerly known as MTCS) in the PIH Information Center (PIC), and HUD determines that those data are insufficient to verify LRHA's certification on the indicator due to LRHA's failure to adequately report family data, HUD will assign a zero rating for the indicator.

For other SEMAP Indicators, the HUD rating will be based on the scoring and certification that LRHA must certify annually.

File Selection and Testing

On an annual basis the LRHA will randomly select a *quality control sample* of files in which method of Selection from the Waiting List, Reasonable Rent, Determination of Adjusted Income and HQS Enforcement will be reviewed for compliance in accordance with the HUD SEMAP indicator descriptions. The minimum size of the LRHA's quality control sample is as follows:

Universe	Minimum Number of Files or Records to Be Sampled
50 or less	5
51-600	5 plus 1 for each 50 (or part of 50) over 50
601-2,000	16 plus 1 for each 100 (or part of 100) over 600
Over 2,000	30 plus 1 for each 200 (or part of 200) over 2000

The universe is:

- The number of admissions in the last year for each of the two quality control samples under the SEMAP indicator at 985.3(a) Selection from the Waiting List;
- The number of families assisted for the SEMAP indicators at 985.3(b) Reasonable Rent, and 985.3(c) Determination of Adjusted Income;
- The number of units under HAP contract during the last completed PHA fiscal year for the SEMAP indicator at 985.3(e) HQS Quality Control Inspections; and
- The number of failed HQS inspections in the last year for the SEMAP indicator at 985.3(f) HQS Enforcement.

This file review will be performed by an individual who was not the person who originally performed the work. The reviewer will document the results of the calculation and scoring for each of the indicators being reviewed in the file. LRHA will maintain these results for use in providing the annual certification to HUD.

25.14.2 SEMAP Indicators

The table below lists each of the SEMAP indicators, contains a description of each indicator, and explains the basis for points awarded under each indicator.

SEMAP Indicators
Indicator 1: Selection from the Waiting List Maximum Score: 15

SEMAP Indicators
<ul style="list-style-type: none"> • This indicator shows whether LRHA has written policies in its Administrative Plan for selecting applicants from the waiting list and whether LRHA follows these policies when selecting applicants for admission from the waiting list. • Points are based on the percent of families that are selected from the waiting list in accordance with LRHA's written policies, according to LRHA's quality control sample.
Indicator 2: Rent Reasonableness Maximum Score: 20 <ul style="list-style-type: none"> • This indicator shows whether LRHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units • Points are based on the percent of units for which LRHA follows its written method to determine reasonable rent and has documented its determination that the rent to owner is reasonable, according to LRHA's quality control sample.
Indicator 3: Determination of Adjusted Income Maximum Score: 20 <ul style="list-style-type: none"> • This indicator measures whether LRHA verifies and correctly determines adjusted income for each assisted family, and where applicable, uses the appropriate utility allowances for the unit leased in determining the gross rent. • Points are based on the percent of files that are calculated and verified correctly, according to the LRHA's quality control sample.
Indicator 4: Utility Allowance Schedule Maximum Score: 5 <ul style="list-style-type: none"> • This indicator shows whether LRHA maintains an up-to-date utility allowance schedule. • Points are based on whether LRHA has reviewed the utility allowance schedule and adjusted it when required, according to LRHA's certification.
Indicator 5: HQS Quality Control Inspections Maximum Score: 5 <ul style="list-style-type: none"> • This indicator shows whether a LRHA supervisor reinspects a sample of units under contract during the LRHA fiscal year, which meets the minimum sample size requirements for quality control of HQS inspections. • Points are based on whether the required quality control reinspections were completed, according to LRHA's certification.
Indicator 6: HQS Enforcement Maximum Score: 10 <ul style="list-style-type: none"> • This indicator shows whether, following each HQS inspection of a unit under contract where the unit fails to meet HQS, any cited life-threatening deficiencies are corrected within 24 hours from the inspection and all other deficiencies are corrected within no more than 30 calendar days from the inspection or any LRHA-approved extension. • Points are based on whether LRHA corrects all HQS deficiencies in accordance with required time frames, according to LRHA's certification.
Indicator 7: Expanding Housing Opportunities Maximum Points: 5 <ul style="list-style-type: none"> • This indicator shows whether LRHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration; informs voucher holders of the full range of areas where they may lease units both inside and outside

SEMAP Indicators
<p>LRHA's jurisdiction; and supplies a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration.</p> <ul style="list-style-type: none"> Points are based on whether LRHA has adopted and implemented written policies in accordance with SEMAP requirements, according to LRHA's certification.
<p>Indicator 8: FMR Limit and Payment Standards Maximum Points: 5 points</p> <ul style="list-style-type: none"> This indicator shows whether LRHA has adopted a payment standard schedule that establishes payment standard amounts by unit size for each FMR area in LRHA's jurisdiction, that are within the basic range of 90 to 110 percent of the published FMR. Points are based on whether LRHA has appropriately adopted a payment standard schedule(s), according to LRHA's certification.
<p>Indicator 9: Annual Reexaminations Maximum Points: 10</p> <ul style="list-style-type: none"> This indicator shows whether LRHA completes a reexamination for each participating family at least every 12 months. This indicator is verified using data in PIC Points are based on the percent of reexaminations that are more than 2 months overdue, according to data from PIC.
<p>Indicator 10: Correct Tenant Rent Calculations Maximum Points: 5</p> <ul style="list-style-type: none"> This indicator shows whether LRHA correctly calculates the family's share of the rent to owner. Points are based on the percent of correct calculations of family share of the rent, according to data from PIC.
<p>Indicator 11: Pre-Contract HQS Inspections Maximum Points: 5</p> <ul style="list-style-type: none"> This indicator shows whether newly leased units pass HQS inspection on or before the effective date of the assisted lease and HAP contract. Points are based on the percent of newly leased units that passed HQS inspection prior to the effective date of the lease and HAP contract, according to data from PIC.
<p>Indicator 12: Annual HQS Inspections Maximum Points: 10</p> <ul style="list-style-type: none"> This indicator shows whether LRHA inspects each unit under contract at least annually. This indicator is scored from data in PIC. Points are based on the percent of annual HQS inspections of units under contract that are more than 2 months overdue, according to data from PIC.
<p>Indicator 13: Lease-Up Maximum Points: 20 points</p> <ul style="list-style-type: none"> This indicator shows whether LRHA enters HAP contracts for at least 98 percent of the number of LRHA's baseline voucher units in the ACC for the calendar year ending on or before LRHA's fiscal year, or whether LRHA has expended at least 98 percent of its allocated budget authority for the same calendar year. LRHA can receive 15 points if 95 to 97 percent of vouchers are leased or budget authority is utilized. Points are based on utilization of vouchers and HAP expenditures as reported in the voucher management system (VMS) for the most recently completed calendar year.

SEMAP Indicators
<p>Indicator 14: Family Self-Sufficiency (FSS) Enrollment and Escrow Account Balances</p> <p>Maximum Points: 10</p> <ul style="list-style-type: none"> • Only applies to PHAs with mandatory FSS programs. • This indicator shows whether LRHA has enrolled families in the FSS program as required, and measures the percent of current FSS participants that have had increases in earned income which resulted in escrow account balances. • Points are based on the percent of mandatory FSS slots that are filled and the percent of families with escrow account balances, according to data from PIC.
<p>Success Rate of Voucher Holders</p> <p>Maximum Points: 5</p> <ul style="list-style-type: none"> • Only applies to PHAs that have received approval to establish success rate payment standard amounts, and isn't effective until the second full PHA fiscal year following the date of HUD approval of success rate payment standard amounts. • This indicator shows whether voucher holders were successful in leasing units with voucher assistance. • Points are based on the percent of families that were issued vouchers, and that became participants in the voucher program.
<p>Deconcentration Bonus Indicator</p> <p>Maximum Points: 5</p> <ul style="list-style-type: none"> • Submission of data for this indicator is mandatory for a PHA using one or more payment standard amount(s) that exceed(s) 100 percent of the published FMR set at the 50 percentile rent, starting with the second full PHA fiscal year following initial use of payment standard amounts based on the FMRs set at the 50th percentile. • Additional points are available to PHAs that have jurisdiction in metropolitan FMR areas and that choose to submit the required data. • Points are based on whether the data that is submitted meets the requirements for bonus points.

CHAPTER 26: EMERGENCY HOUSING VOUCHERS

26.1 OVERVIEW

This chapter describes LRHA's policy for administering the Emergency Housing Voucher program. Emergency Housing Vouchers (EHVs) are tenant-based vouchers funded through the American Rescue Plan (ARP) Act of 2021 to assist the individuals and families who meet one or more of the following qualifying criteria:

- Experiencing homelessness
- At-risk of homelessness
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking
- Were recently homeless

LRHA follows program requirements for the EHV program established by HUD and set forth in Notice PIH 2021-15. All applicable nondiscrimination and equal opportunity requirements for the HCV program will also apply to the EHV program, including requirements that the LRHA grant reasonable accommodations to persons with disabilities, effectively communicate with persons with disabilities, and ensure meaningful access for persons with limited English proficiency (LEP).

Except as addressed by this chapter and as required under federal statute and HUD requirements, the general requirements of the HCV program apply to EHVs.

26.2 HAP FUNDING

ARP funding obligated to LRHA as housing assistance payments (HAP) funding may only be used for eligible EHV HAP expenses (i.e., rental assistance payments). EHV HAP funding may not be used for EHV administrative expenses or for the eligible uses under the EHV services fee.

26.3 ADMINISTRATIVE FEES AND FUNDING

ARP provides administrative fees and funding for the costs of administering EHVs and other eligible expenses defined in Notice PIH 2021-15. These fees may only be used for EHV administration and other eligible expenses and must not be used for or applied to other LRHA programs or vouchers. LRHA will maintain separate financial records from its regular HCV funding for all EHV funding.

The following four types of fees and funding are allocated as part of the EHV program:

- **Preliminary fees**, which support immediate start-up costs that LRHA will incur in implementing alternative requirements under EHV, such as outreach and coordination with partnering agencies. This fee may be used for any eligible administrative expenses related to EHVs and/or any eligible activities under EHV service fees.
- **Placement fees/expedited issuance reporting fees**, which will support initial lease-up costs (but not for moves or turnover vouchers) and the added cost and effort required to expedite leasing of EHVs.
- **Ongoing administrative fees**, which are calculated in the same way as the standard HCV program.

- **Service fees**, which are a one-time fee to support LRHA's efforts to implement and operate an effective EHV services program in its jurisdiction. See more under [SERVICE FEES](#).

26.4 SERVICE FEES

Service fee funding will be used for defined eligible uses and not for other administrative expenses of operating the EHV program. Eligible uses for service fees are outlined below.

LRHA may provide the assistance described below directly to the applicant or reimburse the Central Virginia Continuum of Care (or partnering service provider) for such assistance.

26.4.1 Housing Search Assistance

This may include activities such as, but not limited to:

- Helping a family identify and visit potentially available units during their housing search,
- Helping to find a unit that meets the household's disability-related needs,
- Providing transportation and directions
- Assisting with the completion of rental applications and LRHA forms, and
- Helping to expedite the EHV leasing process for the family.

26.4.2 Security Deposit Assistance

The amount of the security deposit assistance may not exceed the lesser of two months' rent to owner or the actual security deposit required by the owner. The security deposit assistance may be paid directly to the owner or may be paid to the family. If paid to the family, LRHA will require documentation that the family paid the security deposit.

26.4.3 Utility Deposit Assistance/Utility Arrears

Utility deposit assistance may be provided for some or all of the family's utility deposit expenses. Assistance may be provided for deposits (including connection fees) required for the utilities to be supplied by the tenant under the lease. Assistance for utility deposit expenses may not exceed \$100.

In addition, some families may have large balances with gas, electric, water, sewer, or trash companies that will make it difficult if not impossible to establish services for the utilities to be supplied by the tenant under the lease. LRHA may also provide the family with assistance to address utility arrears. Assistance for utility arrears may not exceed \$500.

26.4.4 Tenant-Readiness Services

LRHA may use fees for counseling provided to EHV applicants on compliance with rental lease requirements.

26.4.5 Owner Incentive Payments

LRHA will provide a one-time incentive payment of \$500 to eligible landlords that agree to initially lease their unit to an EHV family, provided that the contract unit meets Housing Quality Standards and the owner complies with all requirements of the HAP contract and lease. Payments will be made as a single payment at the beginning of the assisted lease term. Incentive payments will be limited to initial leasing of an EHV family; landlords will not receive incentive payments for lease renewal.

26.5 PARTNERING AGENCIES

LRHA is required by HUD to partner with the local Continuum of Care (CoC) to administer the EHV program. In addition to the CoC, LRHA may enter into other partnerships with qualified organizations, in accordance with the parameters set forth in Notice PIH 2021-15.

26.5.1 Continuum of Care

The Central Virginia Continuum of Care (CVCoc) is responsible for responding and meeting the needs of persons experiencing homelessness in Lynchburg and the surrounding area. The lead agency for the CVCoc is Miriam's House.

Accordingly, LRHA and Miriam's House, on behalf of the CVCoc, have entered into a Memorandum of Understanding (MOU) which describes their roles and responsibilities in administering the EHV program.

26.5.2 Referrals

As outlined in the MOU, the primary responsibilities of the CVCoc are to determine if the family or individual qualifies for an EHV and to refer those qualifying families and individuals to LRHA. The CVCoc must determine if the individual or family qualifies for EHV assistance, meeting at least one of the qualifying criteria outlined in Notice PIH 2021-15, before the family can be referred to LRHA. To that end, individuals and families cannot submit an application for the EHV program directly to LRHA. If a family contacts LRHA to request EHV assistance, LRHA will refer the family to the CVCoc for intake, assessment, and possible referral.

LRHA will inform the CVCoc when vouchers are available under the EHV program and request that CVCoc refer qualified applicants.

26.5.3 Offers of Assistance without CoC Referral

LRHA may make an EHV available without a referral from the CVCoc or other partnering organization in order to facilitate an emergency transfer under VAWA.

LRHA will take direct referrals from outside the CVCoc if:

- The CVCoc does not have a sufficient number of eligible families to refer to LRHA, or
- The CVCoc does not identify families that may be eligible for EHV assistance because they are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking.

If at any time LRHA is not receiving enough referrals or is not receiving referrals in a timely manner from the CVCoc, HUD may permit LRHA on a temporary or permanent basis to take EHV applications directly from applicants and admit eligible families to the EHV program in lieu of or in addition to direct referrals in those circumstances.

26.6 WAITING LIST MANAGEMENT

If the number of applicants referred by the CVCoc or partnering agency exceeds the EHV's available, LRHA will establish and maintain a separate waiting list for EHV referrals, both at initial leasing and turnover. Direct referrals for the EHV program will not be added to LRHA's HCV waiting list.

The EHV waiting list is not subject to LRHA policies in the chapter on **APPLICATION, WAITING LIST & TENANT SELECTION** regarding the HCV waiting list. LRHA will work directly with the CVCoc and other referral agency partners to manage the number of referrals and the size of the EHV waiting list.

LRHA will inform families on the HCV waiting list of the availability of EHV in accordance with the requirements listed in Notice PIH 2021-15. LRHA will ensure effective communication with persons with disabilities and take reasonable steps to ensure meaningful access for persons with limited English proficiency.

26.7 PREFERENCES

Preferences established for the HCV waiting list will not apply to the EHV program. LRHA will not establish preferences for the EHV program.

However, if a family applies to the HCV program and indicates on their application that they qualify for the Emergency or Homeless limited local preference (described in Chapter 4), LRHA will refer the family to the CVCoc, who will determine if the applicant is eligible for an EHV.

26.8 FAMILY ELIGIBILITY

The CVCoc determines whether the individual or family meets any one of the following criteria and then refers the family to LRHA:

- Homeless as defined under [24 CFR 578.3](#);
- At risk of homelessness as defined in [24 CFR 578.3](#);
- Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking (as defined in Notice PIH 2021-15), or human trafficking (as defined in 22 U.S.C Section 7102); or
- Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability as determined by the CoC or its designee in accordance with the definition in Notice PIH 2021-15.

As applicable, the CVCoc must provide verification to LRHA that the family meets one of the four qualifying criteria for EHV assistance. LRHA must retain this documentation as part of the family's file. LRHA must determine that the family meets all other eligibility criteria for the HCV program as noted in this chapter.

26.9 SCREENING

LRHA will deny applicants to the EHV program for the following:

- If any household member has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing.
- If any household member is subject to a lifetime registration requirement under a state sex offender registration program.
- If the head of household and adult family members have failed to sign and submit consent forms for LRHA to obtain required information.
- If any household member is currently engaged in, or has engaged in within the past 12 months, violent criminal activity or other criminal activity which may threaten the health and safety of neighbors or other persons residing with the immediate vicinity.
- If any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with federally-assisted housing in within the past 12 months.

- If any family member has engaged in or threatened abusive or violent behavior toward PHA staff within the past 12 months.

With the exception of the circumstances listed above, LRHA's policies regarding denials in the HCV program do not apply to the EHV program, including permissive denial policies. LRHA will conform with the alternate requirements for denying applicants which are set forth in Notice PIH 2021-15. Specifically, LRHA **will not deny** applicants to the EHV program for the following:

- Any member of the family has been evicted from federally assisted housing in the last five years;
- Another PHA has terminated assistance under the program for any member of the family;
- The family currently owes rent or other amounts to LRHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act;
- The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;
- The family breached an agreement with a PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA;
- The family would otherwise be prohibited admission under alcohol abuse standards established by LRHA in accordance with 24 CFR 982.553(a)(3);
- LRHA determines that any household member is currently engaged in or has engaged in during a reasonable time before the admission, drug-related criminal activity.

26.10 INCOME VERIFICATION AT ADMISSION

Generally, LRHA will follow HCV policies regarding income verification at admission, described in the Verification chapter. However, LRHA may consider self-certification as the highest form of income verification at admission, if obtaining third-party verification would significantly delay or prevent the applicant from leasing. Any self-certification must be made in a format acceptable to LRHA and must be signed by the family member whose information is being verified.

If LRHA elects to accept self-certification of income, LRHA will review the EIV Income and Income Validation Tool (IVT) reports to confirm and validate self-reported income information within 90 days of the PIC submission. LRHA will print and maintain copies of the EIV and IVT Income reports in the participant's file and resolve any income discrepancy with the family within 60 days of the obtaining the reports.

26.11 SOCIAL SECURITY NUMBER AND CITIZENSHIP STATUS VERIFICATION

LRHA may accept self-certification of Social Security numbers and/or citizenship status during the initial eligibility determination for documented extenuating circumstances. In such cases, LRHA will require that the EHV applicant provide third-party verification within 180 days of admission or verify the information in EIV.

LRHA may provide an additional 60-day extension in such cases, based on evidence from the family or confirmation from the CoC or other partnering agency that the family has made a good-faith effort to obtain the documentation.

If LRHA determines that an ineligible family received assistance, LRHA will take steps to terminate that family from the program in accordance with the termination policies in this Plan

26.12 AGE AND DISABILITY VERIFICATION

LRHA may accept self-certification of date of birth and/or disability status during the initial eligibility determination for documented extenuating circumstances. In such cases, LRHA will require that the EHV applicant provide third-party verification within 90 days of admission or verify the information in EIV.

26.13 INCOME TARGETING

Income targeting requirements do not apply for EHV families. LRHA will not include the admission of extremely low-income EHV families in its income targeting numbers for the fiscal year in which these families are admitted.

26.14 HOUSING SEARCH AND LEASING

26.14.1 Initial Voucher Term

All EHV families will have an initial voucher term of 120 calendar days. The family must submit a Request for Tenancy Approval (RFTA) and proposed lease within the 120-day period unless LRHA grants an extension.

26.14.2 Housing Search Assistance

LRHA will require the CVCOC to provide housing search assistance for EHV families, including but not limited to the following:

- Helping individual families identify potentially available units during their housing search, including physically accessible units with features for family members with disabilities, as well as units in low-poverty neighborhoods;
- Providing transportation assistance and directions to potential units;
- Conducting owner outreach;
- Assisting with the completion of rental applications and LRHA forms; and
- Helping expedite the EHV leasing process for the family.

26.14.3 Initial Lease Term

EHV voucher holders may enter into an initial lease that is for less than 12 months.

26.15 PORTABILITY

The HCV portability procedures and requirements outlined in the chapter on Portability apply, with the following exceptions:

- EHV applicant families may move under portability even if the family did not have legal residency in LRHA's initial jurisdiction when they applied;
- LRHA cannot refuse to assist an incoming EHV family;
- If a family with an EHV ports into LRHA, LRHA:
 - May only absorb the incoming EHV family with an EHV (assuming an EHV is available);

- Must bill the initial PHA if it does not have an EHV available to absorb the family and cannot absorb the family with a regular HCV when the family leases the unit; and
- Must administer the voucher (regardless of whether it absorbs the EHV or bills the initial PHA) in accordance with LRHA policies.
- If a family with a LRHA EHV ports out to another PHA that administers EHV, the receiving PHA:
 - May only absorb the incoming EHV family with an EHV (assuming an EHV is available);
 - Must bill LRHA if it does not have an EHV available to absorb the family and cannot absorb the family with a regular HCV when the family leases the unit; and
 - Must administer the voucher (regardless of whether it absorbs the EHV or bills LRHA) in accordance with its regular policies.
- If a family with a LRHA EHV ports out to another PHA that does not administer EHV, the receiving PHA may absorb the family into its regular HCV program or bill LRHA.

26.15.1 Family Briefing

In addition to providing the family with the briefing requirements, LRHA will inform the EHV family as to how portability may impact the special EHV services and assistance that may be available to the family.

LRHA will help facilitate the family's portability move to another PHA and inform the family of this requirement in writing, taking reasonable steps to ensure meaningful access for persons with limited English proficiency.

26.15.2 Coordination of Services

If the portability move is in connection with the EHV family's initial lease-up, LRHA will consult and coordinate with the receiving/initial PHA (as applicable) on the EHV services and assistance that will be made to the family.

26.15.3 Services Fee

Standard portability arrangements apply for housing assistance payments (HAP) and ongoing administrative fees for EHV families.

For service fees funding, the amount of the service fee provided the initial PHA may not exceed the lesser of the actual cost of the services and assistance provided to the family by the receiving PHA or \$1,750, unless the initial PHA and receiving PHA mutually agree to change the \$1,750 cap. Service fees are paid as follows:

- If the receiving PHA, in consultation and coordination with the initial PHA, will provide eligible services or assistance to the incoming EHV family, the receiving PHA may be compensated for those costs by the initial PHA, regardless of whether the receiving PHA bills or absorbs.
- If the receiving PHA administers EHV, the receiving PHA may use its own services fee and may be reimbursed by the initial PHA, or the initial PHA may provide the services funding upfront to the receiving PHA for those fees and assistance.
- If the receiving PHA does not administer EHV, the initial PHA must provide the services funding upfront to the receiving PHA. Any amounts provided to the receiving PHA that are not used for services or assistance on behalf of the EHV family must promptly be returned by the receiving PHA to the initial PHA.

26.15.4 Placement Fee/Issuance Reporting Fee

If the portability lease-up qualifies for the placement fee/issuance reporting fee, the receiving PHA receives the full amount of the placement component of the placement fee/issuing reporting fee. The receiving PHA is eligible for the placement fee regardless of whether the receiving PHA bills the initial PHA or absorbs the family into its own program at initial lease-up. The initial PHA qualifies for the issuance reporting component of the placement fee/issuance reporting fee, as applicable.

26.16 PAYMENT STANDARDS

LRHA will establish a separate payment standard for the EHV program which will not exceed 120% of the FMR. The EHV payment standard will comply with all other HCV requirements. LRHA will ensure that the approved rent meets the rent reasonableness requirement.

26.17 RENT REASONABLENESS

All rent reasonableness requirements apply to EHV units.

26.18 TERMINATION OF VOUCHERS

After September 30, 2023, LRHA may not reissue EHV when assistance for an EHV-assisted family ends. This means that when an EHV participant leaves the program for any reason, LRHA may not reissue the EHV to another family unless it does so no later than September 30, 2023.

If an applicant family that was issued the EHV is unsuccessful in finding a unit and the EHV expires after September 30, 2023, the EHV may not be reissued to another family.

All EHV under lease on or after October 1, 2023, may not under any circumstances be reissued to another family when the participant leaves the program for any reason.

An EHV that has never been issued to a family may be initially issued and leased after September 30, 2023, since this prohibition only applies to EHV that are being reissued upon turnover after assistance to a family has ended. However, HUD may direct LRHA to cease leasing any unleased EHV if such action is determined necessary by HUD to ensure there will be sufficient funding available to continue to cover the HAP needs of currently assisted EHV families.

26.19 USE OF FUNDS, REPORTING, AND FINANCIAL RECORDS

EHV funds allocated to LRHA for HAP (both funding for the initial allocation and HAP renewal funding) may only be used for eligible EHV HAP purposes. EHV HAP funding obligated to LRHA may not be used for EHV administrative expenses or the other EHV eligible expenses under this notice. Likewise, EHV administrative fees and funding obligated to LRHA are to be used for those purposes and must not be used for HAP.

The appropriated funds for EHV are separate from the regular HCV program and may not be used for the regular HCV program but may only be expended for EHV eligible purposes. EHV HAP funds must be tracked and accounted for separately as EHV restricted net position (RNP).

LRHA must comply with EHV reporting requirements in the Voucher Management System (VMS) and Financial Data Schedule (FDS) as outlined in Notice PIH 2021-15.

LRHA must maintain complete and accurate accounts and other records for the program and provide HUD and the Comptroller General of the United States full and free access to all accounts and records that are

pertinent the administration of the EHVs in accordance with the HCV program requirements at 24 CFR 982.158.

APPENDIX A: EMERGENCY WAIVERS

On March 27, 2020, the CARES Act (Public Law 116-136) was signed into law as a response to the SARS-CoV-2 Coronavirus pandemic, and the disease (COVID-19) it causes. Pursuant to this Act, the Department of Housing and Urban Development (HUD) waived and established alternative requirements for numerous statutory and regulatory requirements for the Public Housing and Housing Choice Voucher (HCV) programs. The following PIH Notices cover LRHA's waivers and alternative requirements:

- HUD Notice PIH 2020-05, issued April 10, 2020
- HUD Notice PIH 2020-13, issued July 2, 2020
- HUD Notice PIH 2020-24, issued September 14, 2020
- HUD Notice PIH 2020-33, issued November 30, 2020
- HUD Notice PIH 2021-14, issued May 4, 2021

The Lynchburg Redevelopment Housing Authority (LRHA) has elected to utilize some of the waivers and alternative requirements, as these flexibilities allowed LRHA to focus on its most urgent matters. The waivers LRHA will be utilizing for the HCV program are outlined table below including the start and end dates for the waivers.

No.	Waiver Name	Statutory & Regulatory Waivers	Summary of Alternative Requirements	Availability Period Start Date	Availability Period End Date
1.	PH and HCV-2 Family Income and Composition: Delayed Annual Examinations	<u>Statutory Authority</u> Section 3(a)(1) <u>Regulatory Authority</u> §§ 982.516(a)(1), 960.257(a)	<ul style="list-style-type: none"> Permits the PHA to delay the annual reexamination of income and family composition HCV PHAs must implement HCV-7 for impacted families if they implement this waiver 	<ul style="list-style-type: none"> 4/10/2020 	<ul style="list-style-type: none"> 6/30/21 All reexams due in CY20 must be completed by 12/31/20. Reexams due between 1/1/21 and 12/31/21 would need to be completed by 12/31/21.
2.	PH and HCV-3 Family Income and Composition: Annual Examination; Income Verification Requirements	<u>Regulatory Authority</u> §§ 5.233(a)(2), 960.259(c), 982.516(a) <u>Sub-regulatory Guidance</u> Notice PIH 2018-18	<ul style="list-style-type: none"> Waives the requirements to use the income hierarchy, including the use of EIV, and will allow PHAs to consider self-certification as the highest form of income verification PHAs that implement this waiver will be responsible for addressing material income 	<ul style="list-style-type: none"> 4/10/2020 	<ul style="list-style-type: none"> 12/31/2021

No.	Waiver Name	Statutory & Regulatory Waivers	Summary of Alternative Requirements	Availability Period Start Date	Availability Period End Date
			discrepancies that may arise later		
3.	PH and HCV-4 Family Income and Composition: Interim Examinations	<u>Statutory Authority</u> Section 3(a)(1) <u>Regulatory Authority</u> §§ 5.233(a)(2), 982.516(c)(2), 960.257(a), (b) and (d), 960.259(c) <u>Sub-regulatory Guidance</u> Notice PIH 2018-18	<ul style="list-style-type: none"> • Waives the requirement to use the income verification requirements, including the use of EIV, for interim reexaminations 	<ul style="list-style-type: none"> • 4/10/2020 	<ul style="list-style-type: none"> • 12/31/2021
4.	PH and HCV-5 Enterprise Income Verification (EIV) Monitoring	<u>Regulatory Authority</u> § 5.233 <u>Sub-regulatory Guidance</u> Notice PIH 2018-18	<ul style="list-style-type: none"> • Waives the mandatory EIV monitoring requirements 	<ul style="list-style-type: none"> • 4/10/2020 	<ul style="list-style-type: none"> • 12/31/2021
5.	HCV-1 Administrative Plan	<u>Regulatory Authority</u> § 982.54(a)	<ul style="list-style-type: none"> • Establishes an alternative requirement that policies may be adopted without board approval until 9/30/21 • Any provisions adopted informally must be adopted formally by 12/31/21 	<ul style="list-style-type: none"> • 4/10/2020 	<ul style="list-style-type: none"> • 9/30/2021 • 12/31/2021
6.	HCV-2 Information When Family is Selected: PHA Oral Briefing	<u>Regulatory Authority</u> §§ 982.301(a)(1), 983.525(a)	<ul style="list-style-type: none"> • Waives the requirement for an oral briefing • Provides for alternative methods to conduct required voucher briefing 	<ul style="list-style-type: none"> • 4/10/2020 	<ul style="list-style-type: none"> • 12/31/2021

No.	Waiver Name	Statutory & Regulatory Waivers	Summary of Alternative Requirements	Availability Period Start Date	Availability Period End Date
7.	HCV-3 Term of Voucher: Extensions of Term	<u>Regulatory Authority</u> § 982.303(b)(1)	<ul style="list-style-type: none"> Allows PHAs to provide voucher extensions regardless of current PHA policy 	• 4/10/2020	• 12/31/2021
8.	HCV-4 PHA Approval of Assisted Tenancy: When HAP Contract is Executed	<u>Regulatory Authority</u> § 982.305(c)	<ul style="list-style-type: none"> Provides for HAP payments for contracts not executed within 60 days PHA must not pay HAP to owner until HAP contract is executed 	• 4/10/2020	• 12/31/2021
9.	HCV-5 Absence from Unit	<u>Regulatory Authority</u> § 982.312	<ul style="list-style-type: none"> Allows for PHA discretion on absences from units longer than 180 days PHAs must not make HAP payments beyond 12/31/20 for units vacant more than 180 consecutive days 	• 4/10/2020	• 12/31/2021
10.	HCV-6 Automatic Termination of HAP Contract	<u>Regulatory Authority</u> § 982.455	<ul style="list-style-type: none"> Allows PHA to extend the period of time after the last HAP payment is made before the HAP contract terminates automatically. 	• 4/10/2020	• 12/31/2021
11.	HCV-8 Utility Allowance Schedule: Required Review and Revision	<u>Regulatory Authority</u> § 982.517	<ul style="list-style-type: none"> Provides for delay in updating utility allowance schedule 	• 4/10/2020	• 12/31/2021
12.	HQS-4 HQS Inspection Requirement: Biennial Inspections	<u>Statutory Authority</u> Section 8(o)(8)(A)(iii) <u>Regulatory Authority</u> HOTMA HCV Federal Register Notice January 18, 2017	<ul style="list-style-type: none"> Under Initial HQS Alternative Inspection Option - allows for commencement of assistance payments based on owner certification there are no life-threatening deficiencies Where self-certification was used, 	• 4/10/2020	• 12/31/2021

No.	Waiver Name	Statutory & Regulatory Waivers	Summary of Alternative Requirements	Availability Period Start Date	Availability Period End Date
			PHA must inspect the unit no later than 6/30/22		<ul style="list-style-type: none"> 6/30/2022
13.	HQS-6 HQS Interim Inspections	<u>Statutory Authority</u> Section 8(o)(8)(F) <u>Regulatory Authority</u> §§ 982.405(g), 983.103(e)	<ul style="list-style-type: none"> Waives the requirement for the PHA to conduct interim inspection and requires alternative method Allows for repairs to be verified by alternative methods 	<ul style="list-style-type: none"> 4/10/2021 	<ul style="list-style-type: none"> 12/31/2021
14.	HQS-7 PBV Turnover Inspections	<u>Regulatory Authority</u> §§ 983.103(c)	<ul style="list-style-type: none"> Allows PBV turnover units to be filled based on owner certification there are no life- threatening deficiencies Allows for delayed full HQS inspection NLT than 6/30/22 	<ul style="list-style-type: none"> 4/10/2021 	<ul style="list-style-type: none"> 12/31/2021 6/30/2022
15.	HQS-9 HQS Quality Control Inspections	<u>Regulatory Authority</u> §§ 982.405(b), 983.103(e)(3)	<ul style="list-style-type: none"> Provides for a suspension of the requirement for QC sampling inspections 	<ul style="list-style-type: none"> 4/10/2021 	<ul style="list-style-type: none"> 12/31/2021
16.	HQS-10 HQS Space and Security	<u>Regulatory Authority</u> §§ 982.401(d)	<ul style="list-style-type: none"> Waives the requirement that each dwelling unit have at least 1 bedroom or living/sleeping room for each 2 persons. 	<ul style="list-style-type: none"> 4/10/2021 	<ul style="list-style-type: none"> Remains in effect one year from lease term date or date of this Notice, whichever is longer
17.	11a PHAS	<u>Regulatory Authority</u> 24 CFR 902	<ul style="list-style-type: none"> Allows for alternatives related to inspections PHA to retain prior year PHAS score unless requests otherwise 	<ul style="list-style-type: none"> 4/10/2020 	<ul style="list-style-type: none"> HUD will carry forward the most recent PHAS score on record for any PHAs with a fiscal year on or before 12/31/2021
18.	11b-1 SEMAP	<u>Regulatory Authority</u> § 985.105(d)	<ul style="list-style-type: none"> Allows field offices to perform a remote SEMAP confirmatory review instead of an on- site confirmatory review before changing a PHA's rating from 	<ul style="list-style-type: none"> 4/10/2020 	<ul style="list-style-type: none"> 12/31/2021

No.	Waiver Name	Statutory & Regulatory Waivers	Summary of Alternative Requirements	Availability Period Start Date	Availability Period End Date
			troubled to standard or high performer		
19.	11b-2 SEMAP	<u>Regulatory Authority</u> § 985.101(a)	<ul style="list-style-type: none"> • Waives the requirement for PHAs to submit an annual SEMAP certification in PIC within 60 days of FYE during the period of time that HUD will roll forward prior year SEMAP scores 	<ul style="list-style-type: none"> • 4/10/2020 	<ul style="list-style-type: none"> • 1/1/2022
20.	11c Uniform Financial Reporting Standards: Filing of Financial Reports; Reporting Compliance Dates	<u>Regulatory Authority</u> §§ 5.801(c), 5.801(d)(1)	<ul style="list-style-type: none"> • Allows for extensions of financial reporting deadlines • Normal Date: 9/30/2020 • Extended Date: 3/31/2021 	<ul style="list-style-type: none"> • 4/10/2020 	<ul style="list-style-type: none"> • 3/31/2021
21.	12a PHA Reporting Requirements on HUD Form 50058	<u>Regulatory Authority</u> 24 CFR Part 908, §982.158 <u>Sub-regulatory Guidance</u> Notice PIH 2011-65	<ul style="list-style-type: none"> • Waives the requirement to submit 50058 within 60 days • Alternative requirement to submit within 90 days of the effective date of action 	<ul style="list-style-type: none"> • 4/10/2020 	<ul style="list-style-type: none"> • 12/30/2020

APPENDIX B: DEFINITION OF A PERSON WITH A DISABILITY

There are two different definitions for *person with a disability* used in the HCV program. One definition is used to qualify a family for the **disabled household deduction** and the other is used in determining eligibility for a **reasonable accommodation**.

Disabled Household Deduction: Definition of a Person with a Disability

The definition of a *person with a disability* used to qualify a family for the **disabled household deduction** is as follows:

Person with disabilities means a person who:

1. Has a disability, as defined in 42 U.S.C. 423;
2. Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
 - a. Is expected to be of long-continued and indefinite duration;
 - b. Substantially impedes his or her ability to live independently, and
 - c. Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
3. Has a developmental disability as defined in 42 U.S.C. 6001.

Spelled out to include the cross references, the definition can be articulated as follows:

1. A disabled person is one with an inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or for an individual who is at least 55 years old and is blind (*blindness* as defined by 42 U.S.C. 416(i)(1)), inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he or she has previously engaged with some regularity and over a substantial period of time. **(42 U.S.C. 423)**
2. A disabled person is also one who has a physical, emotional, or mental impairment that:
 - a. is expected to be of long-continued or indefinite duration;
 - b. substantially impedes the person's ability to live independently;
 - c. is such that the person's ability to live independently could be improved by more suitable housing conditions.
3. A developmentally disabled person is one with a severe chronic disability that **(Section 102(8) of the Developmental Disabilities Assistance and Bill of Rights Act)**:
 - a. is attributable to a mental and/or physical impairment;
 - b. is manifested before age 22;
 - c. is likely to continue indefinitely;

- d. results in substantial functional limitations in three or more of the following areas: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency **and**
- e. reflects the person's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance are of lifelong or extended duration and are individually planned and coordinated.

Reasonable Accommodation: Definition of a Person with a Disability

The definition of a *person with a disability* used to qualify a family for a **reasonable accommodation** is as follows:

A *person with a disability*, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment.

The phrase *physical or mental impairment* includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term *physical or mental impairment* includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, Human Immunodeficiency Virus (HIV) infection, mental retardation, emotional illness, drug addiction (other than addiction cause by current, illegal use of a controlled substance) and alcoholism.

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

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

Is regarded as having an impairment means: has a physical or mental impairment that does not substantially limit one or more major life activities but is treated by another person as constituting such a limitation; has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward such impairment; or has none of the impairments defined in this section but is treated by another person as having such an impairment.

The definition of a person with disabilities does not include:

- Current, illegal use of or addiction to a controlled substance.
- Individuals who are alcoholics or drug abusers and:

- Whose current use of alcohol or drugs prevents them from participating in the program or activity in question; or
- Whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.

Additionally, an individual shall not be considered disabled solely because that individual is a transvestite.

APPENDIX C: GLOSSARY

1. **Absorption.** In portability (under subpart H of this part 982): the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.
2. **Accessible.** The facility or portion of the facility can be approached, entered, and used by persons with disabilities.
3. **Actual and Imminent Threat:** A physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. In determining whether an individual would post an actual and imminent threat, the factors to be considered include: the duration of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.
4. **Adjusted income.** Annual income, less allowable HUD deductions and allowances.
5. **Administrative fee.** Fee paid by HUD to the PHA for administration of the program. See §982.152.
6. **Administrative plan.** The plan that describes PHA policies for administration of the tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and included as a supporting document to the PHA Plan. See §982.54.
7. **Admission.** The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.
8. **Affiliated Individual:** With respect to a person, a spouse, parent, brother or sister, or child of that individual, or an individual to whom that person stands in the position or place of a parent; or, any individual, tenant or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.
9. **Amortization payment.** In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.
10. **Annual.** Happening once a year.
11. **Annual contributions contract (ACC).** The written contract between HUD and a PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HUD requirements for the program.
12. **Annual income.** The anticipated total income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.
13. **Applicant (applicant family).** A family that has applied for admission to a program but is not yet a participant in the program.
14. **Area exception rent.** An amount that exceeds the published FMR. See 24 CFR 982.504(b).
15. **As-paid states.** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.
16. **Assets.** (See net family assets.)

17. **Auxiliary aids.** Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving federal financial assistance.
18. **Biennial.** Happening every two years.
19. **Bifurcate.** With respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.
20. **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.
21. **Child.** A member of the family other than the family head or spouse who is under 18 years of age.
22. **Child care expenses.** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.
23. **Citizen.** A citizen or national of the United States.
24. **Co-head.** An individual in the household who is equally responsible for the lease with the head of household. A family may have a co-head or spouse but not both. A co-head never qualifies as a dependent. The co-head must have legal capacity to enter into a lease.
25. **Common space.** In shared housing, the space available for use by the assisted family and other occupants of the unit.
26. **Computer match.** The automated comparison of databases containing records about individuals.
27. **Confirmatory review.** An on-site review performed by HUD to verify the management performance of a PHA.
28. **Consent form.** Any consent form approved by HUD to be signed by assistance applicants and participants to obtain income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.
29. **Congregate housing.** Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see 24 CFR 982.606–609.
30. **Contiguous MSA.** In portability (under subpart H of part 982): An MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.
31. **Continuously assisted.** An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.
32. **Contract authority.** The maximum annual payment by HUD to a PHA for a funding increment.

33. **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).
34. **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.
35. **Dating violence.** Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
- The length of the relationship
 - The type of relationship
 - The frequency of interaction between the persons involved in the relationship
36. **Dependent.** A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.
37. **Dependent child.** In the context of the student eligibility restrictions, a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of dependent as specified above.
38. **Disability assistance expenses.** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member, and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.
39. **Disabled family.** A family whose head, co-head, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.
40. **Disabled person.** See person with disabilities.
41. **Disallowance.** Exclusion from annual income.
42. **Displaced family.** A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.
43. **Domestic violence.** Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.
44. **Domicile.** The legal residence of the household head or spouse as determined in accordance with state and local law.
45. **Drug-related criminal activity.** The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug.

46. **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).
47. **Elderly family.** A family whose head, co-head, spouse, or sole member is a person who is at least 62 years of age; 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.
48. **Elderly person.** An individual who is at least 62 years of age.
49. **Eligible family** A family that is income eligible and meets the other requirements of the 1937 Act and Part 5 of 24 CFR. See also family.
50. **Employer identification number (EIN).** The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.
51. **Evidence of citizenship or eligible status.** The documents which must be submitted as evidence of citizenship or eligible immigration status. See 24 CFR 5.508(b).
52. **Extremely low-income family.** A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher. Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of median income if HUD finds such variations are necessary due to unusually high or low family incomes. See 24 CFR 5.603.
53. **Facility.** All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock, or other real or personal property or interest in the property.
54. **Fair Housing Act.** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988.
55. **Fair market rent (FMR).** The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the Federal Register in accordance with 24 CFR Part 888.
56. **Family.** Includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, and can be further defined in PHA policy.
- A family with or without children (the temporary absence of a child from the home due to placement in foster care is not considered in determining family composition and family size)
 - An elderly family or a near-elderly family
 - A displaced family
 - The remaining member of a tenant family
 - A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.
57. **Family rent to owner.** In the voucher program, the portion of rent to owner paid by the family.

- 58. **Family self-sufficiency program** (FSS program). The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).
- 59. **Family share.** The portion of rent and utilities paid by the family. For calculation of family share, see 24 CFR 982.515(a).
- 60. **Family unit size.** The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.
- 61. **Federal agency.** A department of the executive branch of the federal government.
- 62. **Foster child care payment.** A payment to eligible households by state, local, or private agencies appointed by the state to administer payments for the care of foster children.
- 63. **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). See 24 CFR 5.603.
- 64. **Funding increment.** Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.
- 65. **Gender identity.** Actual or perceived gender-related characteristics.
- 66. **Gross rent.** The sum of the rent to owner plus any utility allowance.
- 67. **Group home.** A dwelling unit that is licensed by a state as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). (A special housing type: see 24 CFR 982.610–614.)
- 68. **Handicap.** Any condition or characteristic that renders a person an individual with handicaps. (See person with disabilities.)
- 69. **HAP contract.** The housing assistance payments contract. A written contract between the PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.
- 70. **Head of household.** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.
- 71. **Household.** A household includes additional people other than the family who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.
- 72. **Housing assistance payment.** The monthly assistance payment by a PHA, which includes: (1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.
- 73. **Housing agency (HA).** See public housing agency.
- 74. **Housing quality standards (HQS).** The HUD minimum quality standards for housing assisted under the voucher program.
- 75. **HUD.** The U.S. Department of Housing and Urban Development.
- 76. **Imputed asset.** An asset disposed of for less than fair market value during the two years preceding examination or reexamination.

77. **Imputed asset income.** The PHA-established passbook rate multiplied by the total cash value of assets. The calculation is used when net family assets exceed \$5,000.
78. **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.
79. **Income.** Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.
80. **Income for eligibility.** Annual income.
81. **Income information** means information relating to an individual's income, including:
- All employment income information known to current or previous employers or other income sources
 - All information about wages, as defined in the state's unemployment compensation law, including any Social Security number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, employer identification number of an employer reporting wages under a state unemployment compensation law
 - Whether an individual is receiving, has received, or has applied for unemployment compensation, and the amount and the period received
 - Unearned IRS income and self-employment, wages, and retirement income
 - Wage, Social Security, and supplemental security income data obtained from the Social Security Administration.
82. **Individual with handicaps.** See person with disabilities.
83. **Initial PHA.** In portability, the term refers to both: (1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and (2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.
84. **Initial payment standard.** The payment standard at the beginning of the HAP contract term.
85. **Initial rent to owner.** The rent to owner at the beginning of the HAP contract term.
86. **Institution of higher education.** An institution of higher education as defined in 20 U.S.C. 1001 and 1002. See Exhibit 3-2 in this Administrative Plan.
87. **Jurisdiction.** The area in which the PHA has authority under state and local law to administer the program.
88. **Landlord.** Either the owner of the property or his/her representative, or the managing agent or his/her representative, as shall be designated by the owner.
89. **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.
90. **Live-in aide.** A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons;
 - Is not obligated for the support of the persons; and
 - Would not be living in the unit except to provide the necessary supportive services.
91. **Living/sleeping room.** A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space. A bedroom or living/sleeping room must have at least one window and two electrical outlets in proper operating condition. See HCV GB p. 10-6 and 24 CFR 982.401.
 92. **Local preference.** A preference used by the PHA to select among applicant families.
 93. **Low-income family.** A family whose income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80 percent for areas with unusually high or low incomes.
 94. **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.)
 95. **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.
 96. **Medical expenses.** Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance (a deduction for elderly or disabled families only). These allowances are given when calculating adjusted income for medical expenses in excess of 3 percent of annual income.
 97. **Minor.** A member of the family household other than the family head or spouse, who is under 18 years of age.
 98. **Mixed family.** A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.
 99. **Monthly adjusted income.** One twelfth of adjusted income.
 100. **Monthly income.** One twelfth of annual income.
 101. **Mutual housing.** Included in the definition of cooperative.
 102. **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.
 103. **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.
 104. **Net family assets.** (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
 - In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income

distributed from the trust fund shall be counted when determining annual income under §5.609.

- In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

105. **Noncitizen.** A person who is neither a citizen nor national of the United States.
106. **Notice of funding availability (NOFA).** For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.
107. **Office of General Counsel (OGC).** The General Counsel of HUD.
108. **Overcrowded.** A unit that does not meet the following HQS space standards: (1) Provide adequate space and security for the family; and (2) Have at least one bedroom or living/sleeping room for each two persons.
109. **Owner.** Any person or entity with the legal right to lease or sublease a unit to a participant.
110. **PHA Plan.** The annual plan and the 5-year plan as adopted by the PHA and approved by HUD.
111. **PHA's quality control sample.** An annual sample of files or records drawn in an unbiased manner and reviewed by a PHA supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. For minimum sample size see CFR 985.3.
112. **Participant (participant family).** A family that has been admitted to the PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).
113. **Payment standard.** The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).
114. **Person with disabilities.** For the purposes of program eligibility see Appendix on [DEFINITION OF A PERSON WITH A DISABILITY](#).
115. **Portability.** Renting a dwelling unit with a Section 8 housing choice voucher outside the jurisdiction of the initial PHA.
116. **Premises.** The building or complex in which the dwelling unit is located, including common areas and grounds.
117. **Previously unemployed.** With regard to the earned income disallowance, a person with disabilities who has earned, in the 12 months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.
118. **Private space.** In shared housing, the portion of a contract unit that is for the exclusive use of an assisted family.

119. **Processing entity.** The person or entity that, under any of the programs covered, is responsible for making eligibility and related determinations and any income reexamination. In the HCV program, the “processing entity” is the “responsible entity.”
120. **Project owner.** The person or entity that owns the housing project containing the assisted dwelling unit.
121. **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.
122. **Public housing agency (PHA).** Any state, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.
123. **Qualified family** (under the earned income disallowance). A family participating in an applicable assisted housing program or receiving HCV assistance:
- Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
 - Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
 - Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance-- provided that the total amount over a six-month period is at least \$500.
124. **Qualified census tract.** With regard to certain tax credit units, any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent, and where the census tract is designated as a qualified census tract by HUD.
125. **Reasonable rent.** A rent to owner that is not more than rent charged: (1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.
126. **Reasonable accommodation.** A change, exception, or adjustment to a rule, policy, practice, or service to allow a person with disabilities to fully access the PHA's programs or services.
127. **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.
128. **Reexamination.** 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.
129. **Remaining member of the tenant family.** The person left in assisted housing who may or may not normally qualify for assistance on their own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).

130. **Rent to owner.** The total monthly rent payable to the owner under the lease for the unit (also known as contract rent). Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.
131. **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 (See residency preference area).
132. **Residency preference area.** The specified area where families must reside to qualify for a residency preference.
133. **Responsible entity.** For the public housing and the Section 8 tenant-based assistance, project-based voucher assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.
134. **Secretary.** The Secretary of Housing and Urban Development.
135. **Section 8.** Section 8 of the United States Housing Act of 1937.
136. **Section 8 covered programs.** All HUD programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under Section 202 of the Housing Act of 1959.
137. **Section 214.** Section 214 of the Housing and Community Development Act of 1980, as amended.
138. **Section 214 covered programs.** The collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in 24 CFR 5.500.
139. **Security deposit.** A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.
140. **Set-up charges.** In a manufactured home space rental, charges payable by the family for assembling, skirting, and anchoring the manufactured home.
141. **Sexual assault.** Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks capacity to consent (42 U.S.C. 13925(a)).
142. **Sexual orientation.** Homosexuality, heterosexuality or bisexuality.
143. **Shared housing.** A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. (A special housing type: see 24 CFR 982.615–982.618.)
144. **Single person.** A person living alone or intending to live alone.
145. **Single room occupancy housing (SRO).** A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. (A special housing type: see 24 CFR 982.602–982.605.)
146. **Social security number (SSN).** The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

147. **Special admission.** Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.
148. **Special housing types.** See subpart M of part 982. Subpart M states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).
149. **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.
150. **Spouse.** The marriage partner of the head of household.
151. **Stalking.** To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.
152. **State wage information collection agency (SWICA).** The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.
153. **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.
154. **Suspension.** The term on the family's voucher stops from the date the family submits a request for PHA approval of the tenancy, until the date the PHA notifies the family in writing whether the request has been approved or denied. This practice is also called tolling.
155. **Tax credit rent.** With regard to certain tax credit units, the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).
156. **Tenancy addendum.** For the housing choice voucher program, the lease language required by HUD in the lease between the tenant and the owner.
157. **Tenant.** The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.
158. **Tenant rent to owner.** See family rent to owner.
159. **Term of lease.** The amount of time a tenant agrees in writing to live in a dwelling unit.
160. **Total tenant payment (TTP).** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.
161. **Unit.** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero (0) bedrooms to six (6) bedrooms.
162. **Utilities.** Water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services. Telephone service is not included.

163. **Utility allowance.** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.
164. **Utility reimbursement.** In the voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.
165. **Utility hook-up charge.** In a manufactured home space rental: Costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.
166. **Very low-income family.** A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the housing choice voucher program.
167. **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 therefrom under conditions other than dishonorable.
168. **Violence Against Women Reauthorization Act (VAWA) of 2013.** Prohibits denying admission to the program to an otherwise qualified applicant or terminating assistance on the basis that the applicant or program participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.
169. **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.
170. **Voucher** (housing choice voucher). A document issued by a PHA to a family selected for admission to the housing choice voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.
171. **Voucher holder.** A family holding a voucher with an unexpired term (search time).
172. **Voucher program.** The housing choice voucher program.
173. **Waiting list.** A list of families organized according to HUD regulations and PHA policy who are waiting for a unit to become available.
174. **Waiting list admission.** An admission from the PHA waiting list.
175. **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.

APPENDIX D: VAWA EMERGENCY TRANSFER PLAN

LYNCHBURG REDEVELOPMENT AND HOUSING AUTHORITY

Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

Emergency Transfers

The Lynchburg Redevelopment and Housing Authority (LRHA) is concerned about the safety of its participants, and such concern extends to participants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA),¹ LRHA allows participants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the participant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.² The ability of LRHA to honor such request for participants currently receiving assistance, however, may depend upon a preliminary determination that the participant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether LRHA has another dwelling unit that is available and is safe to offer the participant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the federal agency that oversees that the **public housing and housing choice voucher (HCV) programs** are in compliance with VAWA.

Eligibility for Emergency Transfers

A participant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if the participant reasonably believes that there is a threat of imminent harm from further violence if the participant remains within the same unit. If the participant is a victim of sexual assault, the participant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for a VAWA emergency transfer.

A participant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Participants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the participant shall notify LRHA's management office and submit a written request for a transfer to **any LRHA office**. LRHA will provide reasonable accommodations to this policy for individuals with disabilities. The participant's written request for an emergency transfer should include either:

¹ Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

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

1. A statement expressing that the participant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted LRHA's program; OR
2. A statement that the participant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the participant's request for an emergency transfer.

Confidentiality

LRHA will keep confidential any information that the participant submits in requesting an emergency transfer, and information about the emergency transfer, unless the participant gives LRHA written permission to release the information on a time-limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person or persons that committed an act of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence against Women Act for All Tenants for more information about LRHA's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfer Timing and Availability

LRHA cannot guarantee that a transfer request will be approved or how long it will take to process a VAWA emergency transfer request. LRHA will, however, act as quickly as possible to move a participant who is a victim of domestic violence, dating violence, sexual assault, or stalking, subject to LRHA's transfer policies and the availability and safety of a unit.

If a participant reasonably believes a proposed transfer would not be safe, the participant may request a transfer to a different unit. If a unit is available, the transferred participant must agree to abide by the terms and conditions that govern occupancy in the unit to which the participant has been transferred. LRHA may be unable to transfer a participant to a particular unit if the participant has not or cannot establish eligibility for that unit.

If LRHA has no safe and available units for which a participant who needs an emergency transfer is eligible, LRHA will assist the participant in identifying other housing providers, if known, who may have safe and available units to which the participant could move. At the participant's request, LRHA will also assist the participant in contacting local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfers: HCV Program

Tenant-based assistance: If you are a participant in the tenant-based HCV program and request an emergency transfer as described in this plan, LRHA will assist you to move to a safe unit quickly using your existing voucher assistance. LRHA will make exceptions to program regulations restricting moves as required.

At your request, LRHA will refer you to organizations that may be able to further assist you.

Project-based assistance: If you are assisted under the project-based voucher (PBV) program, you may request an emergency transfer under the following programs for which you are not required to apply:

- Tenant-based voucher, if available;
- Project-based assistance in the same project (if a vacant unit is available and you determine that the vacant unit is safe);

- Project-based assistance in another development owned by LRHA.

Emergency transfers under VAWA will take priority over waiting list admissions for these types of assistance.

You may also request an emergency transfer under the following programs for which you are required to apply:

- Public housing program;
- PBV assistance in another development not owned by LRHA.

Emergency transfers will not take priority over waiting list admissions for these programs. At your request, LRHA will refer you to organizations that may be able to further assist you.

Emergency Transfers: Project-Based Voucher Program

Project-based voucher (PBV) participants who are victims of domestic violence, dating violence, sexual assault, or stalking shall follow the procedure for requesting an emergency transfer as specified above for the HCV program. If a family has been residing in a PBV unit for less than one year, the family may either: request to transfer to another project-based subsidized unit or move to another property without the benefit of LRHA's assistance. For all other families, transfer requests are subject to availability. Families will be placed on a waiting list. If a family chooses to move without LRHA's assistance or wishes to move sooner than assistance is available, at the participant's request, LRHA will assist participants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

Safety and Security of Participants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the participant is urged to take all reasonable precautions to be safe.

Participants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Participants who have been victims of sexual assault may call the Rape, Abuse, and Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

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

APPENDIX E: VERIFICATION OF LOCAL PREFERENCES

Local Preference	Criteria	Verification
Emergency Preference	<ul style="list-style-type: none"> Households who have been directly affected by natural disasters as certified by the unit of local government 	<ul style="list-style-type: none"> Certification and referral by either the Mayor or the Managing Director of the City of Lynchburg;
	<ul style="list-style-type: none"> Households who have been directly affected by an extreme emergency 	<ul style="list-style-type: none"> Verification from the appropriate agency (i.e., fire or health department) that the dwelling unit is now uninhabitable;
	<ul style="list-style-type: none"> A family member has been or is currently a victim of Domestic Violence, Dating Violence, sexual assault or Stalking, and has a reasonable belief of risk of imminent harm if he or she remains in the current Unit and no other LRHA public housing sites provide an appropriate alternative 	<ul style="list-style-type: none"> Signed HUD-5382 Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking A document signed by the victim and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of "domestic violence," "dating violence," "sexual assault," or "stalking" in HUD's regulations at 24 CFR 5.2003. A record of a federal, state, tribal, territorial or local law enforcement agency, court or administrative agency. A statement or other evidence provided by the applicant or tenant (at LRHA discretion).
Homeless Preference	<ul style="list-style-type: none"> Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for 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 a place not meant for human habitation immediately before entering that institution; 	<ul style="list-style-type: none"> Referral from homeless service provider which stipulates that the applicant meets the preference criteria. 3rd party verification from a homeless shelter or institution Certification form signed by the outreach worker or service worker verifying that the person or family is homeless.

Local Preference	Criteria	Verification
	<ul style="list-style-type: none"> Individuals and families who are fleeing, or are 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. 	<ul style="list-style-type: none"> Eviction statement describing the reason for eviction (signed and dated by person evicting). Certification completed by institution staff stating that the participant was being discharged within the week before receiving assistance. Institutions may include mental health, substance abuse facilities or jail. Prior residency should be for more than 30 consecutive days. Documentation as above concerning domestic violence or life threatening conditions
Permanent Supportive Housing Preference	<ul style="list-style-type: none"> Formerly homeless individuals who have been participating in a Permanent Supportive Housing program and who no longer need the supportive services but need the housing subsidy 	<ul style="list-style-type: none"> Referral from the CoC program provider which stipulates that the applicant meets the preference criteria.
Working Family	<ul style="list-style-type: none"> Head, co-head or spouse is working at least 35 hours per week/1820 hours per year 	<ul style="list-style-type: none"> Third-party verification from the employer to confirm employment status and hours worked Where self-employment is concerned, tax returns showing 12 months of self-employment. If a tax return has not been filed, income receipts and expenses for the past 12 months.
Elderly/Disabled	<ul style="list-style-type: none"> Head, co-head or spouse must be at least age 62 or have a disability. 	<ul style="list-style-type: none"> Birth certificate or other official government document with the head's, co-head's, or spouse's date of birth showing them to be age 62 or older as of the date the verification was requested; <p>OR</p> <ul style="list-style-type: none"> Verification that the head, co-head or spouse has a disability as defined for purposes of the disabled household deduction (see DEFINITION OF A PERSON WITH A DISABILITY) such as receipt of SSI or SSDI.

APPENDIX F: CHARTS OF OFFENSES – DENIAL & TERMINATION

Criteria for Denials

OFFENSE	Felony Conviction (Years)	Other Conviction (Years)
Crimes Against Persons		
Assault-Related Offenses General Definition: An unlawful attack by one person upon another.	10	3
Family-Related Offenses, Non-Violent General Definition: Unlawful, non-violent acts by a family member (or legal guardian) that threatens the physical, mental, or economic well-being morals of another family member that are not classifiable as other offenses, such as Assault, Incest and Statutory Rape, etc.	5	3
Homicide-Related Offenses General Definition: The killing of one human being by another. <ul style="list-style-type: none"> 1st Degree Murder Vehicular Homicide, 2nd or 3rd degree manslaughter 	20 10	
Kidnapping/Abduction-Related Offenses General Definition: The unlawful seizure, transportation, and/or detention of a person against his/her will or of a minor without the consent of his/her custodial parent(s) or legal guardian.	10	3
Sex-Related Offenses, Forcible General Definition: Any sexual act directed against another person, forcibly and/or against that person's will, or not forcibly or against the person's will in instances where the victim is incapable of giving consent. (See below for lifetime sex offender registration requirements.)	10	3
Sex-Related Offenses, Non-Forcible General Definition: Unlawful, non-forcible sexual intercourse, excluding prostitution offenses.	5	3
All Other Person-Related Offenses General Definition: Any offense committed against another person which causes harm to a person which does not meet specific categories previously outlined as person-related offenses.	5	3
Crimes Against Property		
Arson-Related Offenses General Definition: To unlawfully and intentionally damage or attempt to damage any real or personal property by fire or incendiary device.	10	3
Burglary/Breaking and Entering-Related Offenses General Definition: The unlawful entry into a building or other structure with the intent to commit a felony or a theft.	5	3
Motor Vehicle Theft-Related Offenses General Definition: The theft of a motor vehicle.	3	
Counterfeiting/Forgery-Related Offenses General Definition: The altering, copying, or imitation of something, without authority or right, with the intent to deceive or defraud by passing the copy or thing altered or imitated as that which is original or genuine or the selling, buying, or possession of an altered, copied, or imitated thing with the intent to deceive or defraud.	5	3
Embezzlement/Bribery-Related Offenses	5	3

OFFENSE	Felony Conviction (Years)	Other Conviction (Years)
General Definition: The unlawful misappropriation by an offender to his/her own use or purpose of money, property, or some other thing of value entrusted to his/her care, custody, or control.		
Extortion/Blackmail-Related Offenses General Definition: To unlawfully obtain money, property or any other thing of value, either tangible or intangible, through the use or threat of force, misuse of authority, threat of criminal prosecution, threat of destruction of reputation or social standing or through other coercive means.	10	3
Fraud-Related Offenses General Definition: The intentional perversion of the truth for the purpose of inducing another person or other entity in reliance upon it to part with something of value or to surrender a legal right, excluding Counterfeiting/Forgery and Bad Check offenses.	5	3
Robbery-Related Offenses General Definition: The taking or attempting to take anything of value under confrontational circumstances from the control, custody, or care of another person by force or threat of force or violence and/or by putting the victim in fear of immediate harm.	10	3
Stolen Property-Related Offenses General Definition: Receiving, buying, selling, possessing, concealing, or transporting any property with the knowledge that it has been unlawfully taken, as by Burglary, Embezzlement, Fraud, Larceny, Robbery, etc.	5	3
Larceny/Theft-Related Offenses General Definition: The unlawful taking, carrying, leading, or riding away of property from the possession or constructive possession of another person.	5	3
Destruction/Damage/Vandalism of Property Offenses General Definition: To willfully or maliciously destroy, damage, deface, or otherwise injure real or personal property without the consent of the owner or the person having the custody or control of it, excluding arson offenses.	5	3
All Other Property-Related Offenses General Definition: Any offenses that cause property or monetary damage to another that do not fit into specific categories previously outlined as property-related offenses.	5	3
Crimes Against Society		
Purposely Obstructs, Impairs or Perverts the Law General Definition: A person who purposely obstructs, impairs or perverts the administration of law or discharge of government duties or the carrying out of other governmental functions.	5	3
Disorderly Conduct-Related Offenses General Definition: Any behavior that tends to disturb the public peace or decorum, scandalize the community, or shock the public sense of morality.		3
Drug/Narcotic-Related Offenses General Definition: The violation of laws prohibiting the product, distribution, and/or use of certain controlled substances and the equipment or devices utilized in their preparation and/or use, excluding DUI offenses.	10	3

OFFENSE	Felony Conviction (Years)	Other Conviction (Years)
Drunkenness-Related Offenses General Definition: To drink alcoholic beverages to the extent that one's mental faculties and physical coordination are substantially impaired, excluding DUI offenses.	3	3
Driving Under the Influence-Related Offenses General Definition: Driving or operating a motor vehicle or common carrier while mentally or physically impaired as the result of consuming an alcoholic beverage or using a drug or narcotic.	3	3
Liquor Law-Related Offenses General Definition: The violation of laws or ordinances prohibiting the manufacture, sale, purchase, transportation, possession, or use of alcoholic beverages, excluding DUI and drunkenness offenses.	3	3
Manufacturing Methamphetamine in Federally Assisted Housing* General definition: Conviction for drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally-assisted housing.	Lifetime Ban	Lifetime Ban
Pornography/Obscene Material-Related Offenses General Definition: The violation of laws or ordinances prohibiting the manufacture, publishing, sale, purchase, or possession of sexually explicit material, e.g., literature or photographs.	5	3
Prostitution-Related Offenses General Definition: To unlawfully engage in or promote sexual activities for profit.	3	3
Lifetime Sex Offender Registrant* General Definition: Identification of a lifetime registration requirement for the applicant as a registered sex offender in one or more jurisdictions covered by the search. (Note that requirements for registration vary by locale and may require the individual to actively register themselves by law in some states. Some states prohibit discrimination on the basis of lifetime registration as a sex offender.).	Lifetime Ban	Lifetime Ban
Trespass of Real Property-Related Offenses General Definition: To unlawfully enter land, a dwelling, or other real property.	3	3
Weapons Law-Related Offenses General Definition: The violation of laws or ordinances prohibiting the manufacture, sale, purchase, transportation, possession, concealment, or use of firearms, cutting instruments, explosives, incendiary devices, or other deadly weapons.	10	3
Drug/Narcotic-Related Offenses: Manufacture or Distribution Indicated General Definition: The violation of laws prohibiting the production, distribution, or trafficking of certain controlled substances and the equipment or devices utilized in their preparation and/or use. <i>Offenses contained in this category specifically indicate manufacture or distribution.</i>	10	3

* Unless a person can demonstrate that their record is incorrect (e.g., the person was never convicted of the manufacture of methamphetamine or is not subject to lifetime registration requirements, as applicable), mitigating factors will not be considered for a person whose records indicate this offense. A household with a member whose record indicates an offense with an asterisk ("*") may only be admitted to the HCV program if the member whose record indicates the offense is no longer a member of the household.

Criteria for Terminations

OFFENSE	Previous # of Years to Review
Crimes Against Persons	
Felony Aggravated Assault	10
Family-Related Offenses, Non-Violent Endangering the Welfare of a Child - Felony Bigamy Incest	10
Homicide-Related Offenses General Definition: The killing of one human being by another. <ul style="list-style-type: none"> 1st Degree Murder Vehicular Homicide, 2nd or 3rd degree manslaughter 	20 10
Kidnap	10
Sex-Related Offenses Rape Deviate Sexual Intercourse Aggravated Sexual Assault Statutory Rape, Felony	10
Robbery-Related Offenses General Definition: The taking or attempting to take anything of value under confrontational circumstances from the control, custody, or care of another person by force or threat of force or violence and/or by putting the victim in fear of immediate harm.	10
Crimes Against Property	
Arson General Definition: To unlawfully and intentionally damage or attempt to damage any real or personal property by fire or incendiary device.	10
Burglary/Breaking and Entering-Related Offenses General Definition: The unlawful entry into a building or other structure with the intent to commit a felony or a theft.	10
Destruction/Damage/Vandalism of Property Offenses General Definition: To willfully or maliciously destroy, damage, deface, or otherwise injure real or personal property without the consent of the owner or the person having the custody or control of it, excluding arson offenses.	5
Crimes Against Society	
Felony Drug/Narcotic-Related Offenses General Definition: The violation of laws prohibiting the product, distribution, and/or use of certain controlled substances and the equipment or devices utilized in their preparation and/or use, excluding DUI offenses.	10
Misdemeanor Drug/Narcotic-Related Offenses	
Manufacturing Methamphetamine in Federally Assisted Housing* General definition: Conviction for drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally-assisted housing.	Lifetime Ban
Lifetime Sex Offender Registrant* General Definition: Identification of a lifetime registration requirement for the applicant as a registered sex offender in one or more jurisdictions covered by the search. (Note that requirements for registration vary by locale and may require the	Lifetime Ban

individual to actively register themselves by law in some states. Some states prohibit discrimination on the basis of registration as a sex offender.)	
Weapons Law-Related Offenses General Definition: The violation of laws or ordinances prohibiting the manufacture, sale, purchase, transportation, possession, concealment, or use of firearms, cutting instruments, explosives, incendiary devices, or other deadly weapons.	10

* Unless a person can demonstrate that their record is incorrect (e.g., the person was never convicted of the manufacture of methamphetamine or is not subject to lifetime registration requirements, as applicable), mitigating factors will not be considered for a person whose records indicate this offense. A household with a member whose record indicates an offense with an asterisk ("*") may only be admitted to the HCV program if the member whose record indicates the offense is no longer a member of the household.

APPENDIX G: FEDERALLY MANDATED EXCLUSIONS FROM INCOME

Federal Register Volume 79, Issue 97 (May 20, 2014) – [79 FR 28938](#) and Notice PIH 2019-09

1. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017(b));
2. Payments to volunteers under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5044(f)(1), 5058);
3. Certain payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c));
4. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
5. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));
6. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94 540, section 6);
7. The first \$2000 of per capita shares received from judgment funds awarded by the National Indian Gaming Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, and the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407–1408). This exclusion does not include proceeds of gaming operations regulated by the Commission;
8. Amounts of scholarships funded under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070), including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For section 8 programs only (42 U.S.C. 1437f), any financial assistance in excess of amounts received by an individual for tuition and any other required fees and charges under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall not be considered income to that individual if the individual is over the age of 23 with dependent children (Pub. L. 109–115, section 327) (as amended);
9. Payments received from programs funded under title V of the Older Americans Act of 1965 (42 U.S.C. 3056g);
10. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund (Pub. L. 101–201) or any other fund established pursuant to the settlement in *In Re Agent Orange Liability Litigation*, M.D.L. No. 381 (E.D.N.Y.);
11. Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96–420, 25 U.S.C. 1728);
12. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);
13. Earned income tax credit (EITC) refund payments received on or after January 1, 1991, for programs administered under the United States Housing Act of 1937, title V of the Housing Act of 1949, section 101 of the Housing and Urban Development Act of 1965, and sections 221(d)(3), 235, and 236 of the National Housing Act (26 U.S.C. 32(l));

14. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95–433);
15. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));
16. Any allowance paid under the provisions of 38 U.S.C. 1833(c) to children of Vietnam veterans born with spina bifida (38 U.S.C. 1802–05), children of women Vietnam veterans born with certain birth defects (38 U.S.C. 1811–16), and children of certain Korean service veterans born with spina bifida (38 U.S.C. 1821).
17. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602(c));
18. Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931(a)(2));
19. Any amount received under the Richard B. Russell School Lunch Act (42 U.S.C. 1760(e)) and the Child Nutrition Act of 1966 (42 U.S.C. 1780(b)), including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants, and Children (WIC);
20. Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b));
21. Payments from any deferred U.S. Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts (42 U.S.C. § 1437a(b)(4));
22. Compensation received by or on behalf of a veteran for service-connected disability, death, dependency, or indemnity compensation as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010 (Pub. L. 111–269; 25 U.S.C. 4103(9)) to the definition of income applicable to programs authorized under the Native American Housing Assistance and Self Determination Act (NAHASDA) (25 U.S.C. 4101 et seq.) and administered by the Office of Native American Programs;
23. A lump sum or a periodic payment received by an individual²⁸⁹⁴⁰ Federal Register/Vol. 79, No. 97/Tuesday, May 20, 2014/Notices Indian pursuant to the Class Action Settlement Agreement in the case entitled Elouise Cobell et al. v. Ken Salazar et al., 816 F.Supp.2d 10 (Oct. 5, 2011 D.D.C.), for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010 (Pub. L. 111–291);
24. Any amounts in an “individual development account” as provided by the Assets for Independence Act, as amended in 2002 (Pub. L. 107–110, 42 U.S.C. 604(h)(4));
25. Per capita payments made from the proceeds of Indian Tribal Trust Cases as described in PIH Notice 2013– 30 “Exclusion from Income of Payments under Recent Tribal Trust Settlements” (25 U.S.C. 117b(a)); and
26. Major disaster and emergency assistance received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93–288, as amended) and comparable disaster assistance provided by States, local governments, and disaster assistance organizations (42 U.S.C. 5155(d)).
27. Distributions from an ABLE account, and actual or imputed interest on the ABLE account balance.

APPENDIX H: LIFE-THREATENING CONDITIONS

LRHA's definition of life threatening conditions includes the following:

- Any condition that jeopardizes the security of the unit;
- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling;
- Natural gas or fuel oil leaks;
 - A fuel storage vessel, fluid line, valve, or connection that supplies fuel to a HVAC unit is leaking or a strong odor is detected with potential for explosion or fire or that results in a health risk if inhaled;
- Any electrical problem or condition that could result in shock or fire;
 - A light fixture is readily accessible, is not securely mounted to the ceiling or wall, and electrical connections or wires are exposed;
 - A light fixture is hanging by its wires;
 - A light fixture has a missing or broken bulb, and the open socket is readily accessible to the tenant during the day-to-day use of the unit;
 - A receptacle (outlet) or switch is missing or broken and electrical connections or wires are exposed;
 - An open circuit breaker position is not appropriately blanked off in a panel board, main panel board, or other electrical box that contains circuit breakers or fuses;
 - A cover is missing from any electrical device box, panel box, switch gear box, control panel, etc., and there are exposed electrical connections;
 - Any nicks, abrasions, or fraying of the insulation that exposes conducting wire;
 - Exposed bare wires or electrical connections;
 - Any condition that results in openings in electrical panels or electrical control device enclosures;
 - Water leaking or ponding near any electrical device;
 - Any condition that poses a serious risk of electrocution or fire and poses an immediate life-threatening condition;
- Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit;
 - The heating system must be capable of maintaining an interior temperature of 68 degrees Fahrenheit between October 15 and May 1.

24 CFR Part 982.401(e) requires:

Thermal environment:

1. Performance requirement. The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

2. Acceptability criteria.

- a. There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.
 - b. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.
- Utilities not in service, including no running hot water;
 - Conditions that present the imminent possibility of injury;;
 - Obstacles that prevent safe entrance or exit from the unit;
 - Any components that affect the function of the fire escape are missing or damaged;
 - Stored items or other barriers restrict or prevent the use of the fire escape in the event of an emergency;
 - The building's emergency exit is blocked or impeded, thus limiting the ability of occupants to exit in a fire or other emergency;
 - Absence of a functioning toilet in the unit;
 - Inoperable smoke detectors;
 - Missing or inoperable carbon monoxide detector;
 - Missing, damaged, discharged, overcharged, or expired fire extinguisher (where required);
 - Gas/oil-fired water heater or heating, ventilation, or cooling system with missing, damaged, improper, or misaligned chimney venting;
 - The chimney or venting system on a fuel-fired water heater is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting or gases;
 - A gas dryer vent is missing, damaged, or is visually determined to be inoperable, or the dryer exhaust is not vented to the outside;
 - A fuel-fired space heater is not properly vented or lacks available combustion air;
 - A non-vented space heater is present;
 - Safety devices on a fuel-fired space heater are missing or damaged;
 - The chimney or venting system on a fuel-fired heating, ventilation, or cooling system is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting of gas;
 - Deteriorating paint as defined at 24 CFR 35.110 in a unit built before 1978 that is to be occupied by a family with a child under six years of age if it would prevent the family from moving into the unit.