

HOUSING VOUCHER PROGRAM ADMINISTRATIVE PLAN TABLE OF CONTENTS

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HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN

1.0 EQUAL OPPORTUNITY

1.1 FAIR HOUSING

It is the policy of the Housing and Redevelopment Authority of St. Cloud (hereafter referred to as HRA) to comply fully with all Federal, State, and local nondiscrimination laws; the Americans With Disabilities Act; and the U. S. Department of Housing and Urban Development regulations governing Fair Housing and Equal Opportunity.

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

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

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

No inquiries shall be made about a person's sexual orientation or gender identity. However, the St. Cloud HRA may inquire about a person's sex in order to determine the number of bedrooms a household maybe eligible for under the occupancy standards or to accurately complete HUD's 50058.

The St. Cloud HRA will keep records of all fair housing complaints, investigations, notices and corrective actions for five years.

1.2 REASONABLE ACCOMMODATION

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the HRA housing programs and related services. When such accommodations are granted they do not confer special treatment or advantage for the person with a disability; rather, they make the program fully accessible to them in a way

that would otherwise not be possible due to their disability. This policy clarifies how people can request accommodations and the guidelines the HRA will follow in determining whether it is reasonable to provide a requested accommodation. Because disabilities are not always apparent, the HRA will ensure that all applicants/participants are aware of the opportunity to request reasonable accommodations.

For reasonable accommodation cases where a higher Payment Standard is requested, the HRA may increase the Payment Standard up to 120% of the appropriate bedroom size along with the participant having to pay 40% of their monthly income in rent.

1.3 COMMUNICATION

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

All decisions granting or denying requests will be in writing.

1.4 QUESTIONS TO ASK IN GRANTING THE ACCOMMODATION

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

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

The Minnesota Human Rights Act definition used for this purpose is:

“Disability” means any condition or characteristic that renders a person a disabled person. A disabled person is any person who (1) has a physical, sensory, or mental impairment which materially limits one or more major life activities; (2) has a record of such an impairment; or (3) is regarded as having such an impairment.”

If it should appear that an individual meets the criteria of one definition but not the other, HRA shall generally use the definition most favorable to the person requesting the accommodation.

If the disability is apparent or already documented, the answer to this question is yes. It is possible that the disability for which the accommodation is being

requested is a disability other than the apparent disability. If the disability is not apparent or documented, the HRA will obtain verification that the person is a person with a disability. This may include obtaining documentation from a current medical, psychological or other care provider.

- B. Is the requested accommodation related to the disability? If it is apparent that the request is related to the apparent or documented disability, the answer to this question is yes. If it is not apparent, the HRA will obtain documentation that the requested accommodation is needed due to the disability. This may include obtaining documentation from a current medical, psychological or other care provider. The HRA will not inquire as to the nature of the disability.
- C. Is the requested accommodation reasonable? In order to be determined reasonable, the accommodation must meet two criteria:
 - 1. Would the accommodation constitute a fundamental alteration? The HRA's business is housing. If the request would alter the fundamental business that the HRA conducts, that would not be reasonable. For instance, the HRA would deny a request to have the HRA do grocery shopping for the person with disabilities.
 - 2. Would the requested accommodation create an undue financial hardship or administrative burden? Frequently the requested accommodation costs little or nothing. If the cost would be an undue burden, the HRA may request a meeting with the individual to investigate and consider equally effective alternatives.

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

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

If the participant requests, as a reasonable accommodation, that he or she be permitted to make physical modifications to their dwelling unit, at their own expense, the request should be made to the property owner/manager. The Housing Authority does not have responsibility for the owner's unit and does not have responsibility to make the unit accessible. The Housing Authority may, however, grant a higher payment standard for units where property owners make physical modifications for persons with disabilities so long as the payment standard does not exceed 110% of FMR's.

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

1.5 SERVICES FOR NON-ENGLISH SPEAKING APPLICANTS AND PARTICIPANTS

All applicants that appear to be experiencing difficulties communicating in English or have limited English proficiency will be asked if they need to communicate in a language other than English (including sign and Braille). Their needs will be accommodated as much as possible. The Housing Authority will endeavor to have access to people who speak languages other than English. The St. Cloud HRA shall utilize multilingual “I speak” cards to the maximum degree possible. If the applicant for whom an interpreter has been scheduled misses the appointment, a second appointment will be scheduled. If the second appointment is missed, the applicant will be denied and the participant’s rent will not be adjusted until the 1st of the month after the participant attends the appointment.

1.6 FAMILY/OWNER OUTREACH

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

The HRA will hold briefings for owners who participate in or who are seeking information about the Housing Choice Voucher Program. The briefing is intended to:

- A. Explain how the program works;
- B. Explain how the program benefits owners;
- C. Explain owners’ responsibilities under the program. Emphasis is placed on quality screening and ways the HRA helps owners do better screening; and
- D. Provide an opportunity for owners to ask questions, obtain written materials, and meet HRA staff.

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

1.7 RIGHT TO PRIVACY

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

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

1.8 REQUIRED POSTINGS

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

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

1.9 VIOLENCE AGAINST WOMEN ACT

The HRA provides or offers services, or programs, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking. Domestic Violence, dating violence, stalking and immediate family members are defined in the glossary.

2.0 HRA /OWNER RESPONSIBILITY/ OBLIGATION OF THE FAMILY

This Section outlines the responsibilities and obligations of the HRA, the Housing Choice Voucher Program Property Owners/Managers, and the participating families.

2.1 HRA RESPONSIBILITIES

- A. The HRA will comply with the consolidated ACC, the application, HUD regulations and other requirements, and the HRA Housing Choice Voucher Program Administrative Plan.
- B. In administering the program, the HRA must:
 - 1. Publish and disseminate information about the availability and nature of housing assistance under the program;
 - 2. Explain the program to owners and families;
 - 3. Seek expanded opportunities for assisted families to locate housing outside areas of poverty or racial concentration;
 - 4. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of poverty or racial concentration;
 - 5. Affirmatively further fair housing goals and comply with equal opportunity requirements;
 - 6. Make efforts to help disabled persons find satisfactory housing;
 - 7. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, issue a voucher to each selected family, and provide housing information to families selected;

8. Determine who can live in the assisted unit at admission and during the family's participation in the program;
9. Obtain and verify evidence of citizenship and eligible immigration status in accordance with 24 CFR Part 5;
10. Review the family's request for approval of the tenancy and the owner/landlord lease, including the HUD prescribed tenancy addendum;
11. Inspect the unit before the assisted occupancy begins and at least annually during the assisted tenancy;
12. Determine the amount of the housing assistance payment for a family;
13. Determine the maximum rent to the owner and whether the rent is reasonable;
14. Make timely housing assistance payments to an owner in accordance with the HAP contract;
15. Examine family income, size and composition at admission and during the family's participation in the program. The examination includes verification of income and other family information;
16. Establish and adjust HRA utility allowance;
17. Administer and enforce the housing assistance payments contract with an owner, including taking appropriate action as determined by the HRA, if the owner defaults (e.g., HQS violation);
18. Determine whether to terminate assistance to a participant family for violation of family obligations;
19. Conduct informal reviews of certain HRA decisions concerning applicants for participation in the program;
20. Conduct informal hearings on certain HRA decisions concerning participant families;
21. Provide sound financial management of the program, including engaging an independent public accountant to conduct audits; and
22. Administer a Family Self-Sufficiency Program.
23. Furnish prospective owners who request the family's address information with the family's current address as shown in the HRA records and, if known the name and address of the family's prior addresses (n/a if VAWA or witness protection).
24. If HRA staff makes an error in the calculation of rent; the participant paid too low of rent, error will be corrected with no retroactive action, or the participant paid too high of rent, error will be corrected retroactive to the earlier of date of action or one year.
25. If HUD issues a PIH (Public and Indian Housing) notice, the HRA will follow the PIH Notice and effective date of said notice.

2.2 OWNER RESPONSIBILITY

- A. The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease.
- B. The owner is responsible for:

1. Performing all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.
 2. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance.
 3. Complying with equal opportunity requirements.
 4. Preparing and furnishing to the HRA information required under the HAP contract along with complying with the Housing Assistance Program (HAP).
 5. Collecting from the family:
 - a. Any security deposit required under the lease.
 - b. The tenant contribution (the part of rent to owner not covered by the housing assistance payment).
 - c. Any charges for unit damage by the family.
 6. Entering into a lease and enforcing tenant obligations under the lease.
 7. Paying for utilities and services (unless paid by the family under the lease.)
 8. Including in the lease a clause that provides that engaging in drug-related criminal activity on or near the premises by the tenant, household member, guest, or any other person under the tenant's control is grounds for the owner to terminate tenancy. In addition, the lease must also provide that the owner may evict a family when the owner determines that a household member is illegally using a drug or when the owner determines that a pattern of illegal use of a drug interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.
- C. For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.

2.3 OBLIGATIONS OF THE PARTICIPANT

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

- A. Supplying required information.
 1. The family must supply any information that the HRA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. Information includes any requested certification, release or other documentation.

2. The family must supply any information requested by the HRA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
3. The family must disclose and verify Social Security Numbers and must sign and submit consent forms for obtaining information.
4. Any information supplied by the family must be true and complete.

B. HQS Breach Caused by the Family

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

C. Allowing HRA Inspection

The family must allow the HRA to inspect the unit at reasonable times and after at least 2 days' notice.

D. Violation of Lease

The family may not commit any serious or repeated violation of the lease.

E. Family Notice of Move or Lease Termination

The family must notify the HRA and the owner before the family moves out of the unit or terminates the lease by a notice to the owner.

F. Owner Eviction Notice

The family must promptly give the HRA a copy of any owner eviction notice it receives.

G. Use and Occupancy of the Unit

1. The family must use the assisted unit for a residence by the family. The unit must be the family's only residence.
2. The family may have guest or visitors that stay on a "temporary" basis. "Temporary" is considered to be no more than ten consecutive days or no more than 30 days in a year per guest or visitor.
3. The HRA must approve the composition of the assisted family residing in the unit. The family must promptly inform the HRA of the birth, adoption or court-awarded custody of a child. The family must request approval from the HRA to add any other family member as an occupant of the unit. No other person (i.e., no one but members of the assisted family) may reside in the unit (except for a foster child/foster adult or live-in aide as provided in paragraph (4) of this Section).
4. The family must promptly notify the HRA if any family member no longer resides in the unit or will be absent from the unit for more than 30 days.

5. If the HRA has given approval, a foster child/foster adult or a live-in aide may reside in the unit. The HRA has the discretion to adopt reasonable policies concerning residence by a foster child/foster adult or a live-in aide and defining when the HRA consent may be given or denied.
6. Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family. Any business uses of the unit must comply with zoning requirements and the affected household member must obtain all appropriate licenses.
7. The family must not sublease or let the unit.
8. The family must not assign the lease or transfer the unit.

H. Absence from the Unit

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

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

Authorized absences may include, but are not limited to:

1. Prolonged hospitalization
2. Absences beyond the control of the family (i.e., death in the family, other family member illness)
3. Full time students who attend school away from home and live with family during school recess will be considered permanently absent from the household.
4. Other absences that are deemed necessary by the HRA

I. Interest in the Unit

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

J. Fraud and Other Program Violation

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

K. Crime by Family Members

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

L. Other Housing Assistance

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

M. Alcohol and/or Drug Abuse By Household Members

The members of the household must not abuse alcohol and/or drugs in a way that threatens the health, safety or right to peaceful enjoyment of other residents and/or persons residing in the immediate vicinity of the premises.

N. Behavior

An assisted family or applicant family will not engage in or threaten violent or abusive behavior toward housing authority personnel. Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

3.0 ELIGIBILITY FOR ADMISSION

3.1 INTRODUCTION

There are five eligibility requirements for admission to Housing Choice Voucher Program-- qualifies as a family, has an income within the income limits, meets citizenship/eligible immigrant criteria, provides documentation of Social Security Numbers, and signs consent authorization documents. In addition to the eligibility criteria, families must also meet the HRA screening criteria (Section 4.8) in order to be admitted to the Housing Choice Voucher Program.

3.2 ELIGIBILITY CRITERIA

A. Family status.

1. A **family with or without children**. Such a family is defined as a group of people related by blood, marriage, adoption or affinity that lives together in a stable family relationship. Family includes, but is not limited

to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status.

- a. Children temporarily absent from the home due to placement in foster care are considered family members.
- b. Children in the process of being adopted are considered family members for purposes of determining bedroom size, but are not considered family members for determining income limit.

2. An **elderly family**, which is:

- a. A family whose head including co-head, spouse, or sole member is a person who is at least 62 years of age;
- b. Two or more persons who are at least 62 years of age living together; or
- c. One or more persons who are at least 62 years of age living with one or more live-in aides

3. A **near-elderly family**, which is:

- a. A family whose head including co-head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62;
- b. Two or more persons who are at least 50 years of age but below the age of 62 living together; or
- c. One or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

4. A **disabled family**, which is:

- a. A family whose head, spouse, or sole member is a person with disabilities;
- b. Two or more persons with disabilities living together; or
- c. One or more persons with disabilities living with one or more live-in aides.
- d. For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence.

5. A **displaced family** is a family in which each member, or whose sole member, has been displaced by governmental action or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

6. A **extremely low-income family** is a family whose income does not exceed the higher of 30 percent of the area median income or the federal

poverty level.

7. A **remaining member of a tenant family**. The remaining member of a program assisted family is a family member who remains in the unit when other members of the family no longer reside in the unit and are removed from the lease.
8. A **single person** who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family. (If the single person is pregnant, the income limit used will be that attributed to a one person family and third-party verification (doctor's certification) of pregnancy is required.)

3.3 **Live-In Attendant**

A live-in attendant is defined as a person approved by the HRA who resides in the unit to care for a family member who is disabled or at least 50 years of age and who,

- a. Based on medical statement(s) completed by a medical professional, is determined to be essential to the care and well-being of the person(s); and
- b. Is not obligated for the support of the person(s) and would not be living in the unit except to provide necessary supportive services; and
- c. Whose income will not be counted for purposes of determining eligibility or rent; and
- d. Who may not be considered the remaining member of the tenant family.

Relatives are not automatically excluded from being live-in attendants but must meet the definition as outlined above.

The live-in attendant qualifies for occupancy in the unit only as long as the individual needing supportive services also lives in the unit.

Required documentation for approval of a live-in attendant is as follows:

1. A written statement from a professional health care provider for the household member requesting the live-in attendant verifying the need of the service;
2. Completion of the 'Live-In Attendant Agreement' form and Criminal Background Form.

Both the HRA and the property owner/manager of the assisted unit must approve the live-in attendant. This documentation is required each time there is a change in the Live-In Attendant.

The HRA will consider all eligibility requirements used for applicants when approving a live-in attendant and will use the same standard that is used to approve applicants. The HRA may request third-party verification from a reliable medical source familiar with the needs of the applicant requesting the HRA's approval of the live-in attendant. The request will seek precise information as to the services and time required by the applicant from the live-in attendant in order to enable the applicant to meet the lease requirements.

At any time, the HRA may refuse to approve a particular person as a live-in attendant or may withdraw such approval if:

1. The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program; or
2. The person commits drug-related criminal activity or violent criminal activity; or
3. The person currently owes rent or other amounts to the HRA or to another Housing Authority in connection with Section 8 or Public Housing assistance under the 1937 Act.

B. Income eligibility

1. To be eligible to receive assistance a family shall, at the time the family initially receives assistance under the Housing Choice Voucher Program shall be a low-income family that is:
 - a. A very low-income family;
 - b. A low-income family continuously assisted under the 1937 Housing Act;
 - c. A low-income family that meets additional eligibility criteria specified by the Housing Authority;
 - d. A low-income family that is a non-purchasing tenant in a HOPE 1 or HOPE 2 project or a property subject to a resident homeownership program under 24 CFR 248.173;
 - e. A low-income family or moderate-income family that is displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing.
 - f. A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a HOPE 1 (HOPE for public housing homeownership) or HOPE 2 (HOPE for homeownership of multifamily units) project.
2. Income limits apply only at admission and are not applicable for continued occupancy; however, as income rises the assistance will decrease.

3. The applicable income limit for issuance of a voucher is the highest income limit for the family size for areas within the housing authority's jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.
4. Families who are moving into the HRA's jurisdiction under portability and have the status of applicant rather than of participant at their initial housing authority, must meet the income limit for the area where they were initially assisted under the program.
5. Families who are moving into the HRA 's jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for the HRA program.
6. Income limit restrictions do not apply to families transferring units within the HRA Housing Choice Voucher Program.

3.4 **Foster Adults and Children**

With the prior approval of the Housing Authority, families may have foster children or adults live with them if it would not result in overcrowding.

C. Citizenship/Eligible Immigrant status

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

Family eligibility for assistance.

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

D. Social Security Number Documentation

To be eligible, all family members 6 years of age and older must provide a Social Security Number or certify that they do not have one.

E. Signing Consent Forms

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

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

G. Suitability for tenancy

The Housing Authority determines eligibility for participation and will also conduct criminal background checks on all adult household members. The Housing Authority will deny assistance to a family because of drug-related criminal activity or violent criminal activity by family members. This check will be made through state or local law enforcement or court records where the household member has lived.

The Housing Authority will check with the State sex offender registration program and will ban for life any individual who is registered as a lifetime sex offender. The Housing Authority will check with our state registry and if the applicant has resided in another State(s), with that State(s)'s list.

Additional screening is the responsibility of the owner. Upon the written request of a prospective owner, the Housing Authority will provide to the owner the name, address, and phone number of the applicant's current landlord and any previous landlords that are known to the housing authority (n/a if VAWA or witness protection).

The St. Cloud HRA will use the information in Existing Tenant Search Reports located in HUD's EIV system as part of the screening criteria.

H. Special College Student Eligibility Rules

No assistance shall be provided under section 8 of the 1937 Act to any individual who:

1. Is enrolled as a student at an institution of higher education, as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002);
2. Is under 24 years of age;
3. Is not a veteran of the United States military;
4. Is unmarried;
5. Does not have a dependent child; and
6. Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income to receive assistance under section 8 of the 1937 Act.

4.0 MANAGING THE WAITING LIST

4.1 OPENING AND CLOSING THE WAITING LIST

The waiting list's status as 'open' is tied directly to the number of active applications and funding from the Department of HUD. The St. Cloud HRA will determine when appropriate to 'open' or 'close' the waiting list.

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

4.2 TAKING APPLICATIONS

Families wishing to apply for the Housing Choice Voucher Program will be required to complete an application for housing assistance. Applications will be accepted at the HRA during regular business hours.

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

Applications are available online at St.CloudHRA.com. Applications will only be mailed to accommodate a disability or it would be a hardship for the family to come in upon request.

The completed application will be dated and time stamped upon its return to the HRA.

Persons with disabilities who require a reasonable accommodation in completing an application may call the HRA to make special arrangements to complete their application. A Telecommunication Device for the Deaf (TDD) is available for the deaf.

The application process will involve two phases. The first phase is the initial application for housing assistance or the pre-application. The pre-application requires the family to provide limited basic information including name, address, phone number, family composition, racial or ethnic designation of the head of household, income, and information establishing any preferences to which they may be entitled. This first phase results in the family's placement on the waiting list.

Upon receipt of the families pre-application, the HRA will make a preliminary determination of eligibility. The HRA will notify the family in writing of the date and time of placement on the waiting list and the approximate amount of time before housing assistance may be offered. If the HRA determines the family to be ineligible to participate, the notice will state the reason(s) for the determination and offer the family the opportunity to appeal the decision via the informal review process.

An applicant has to report in writing changes in their applicant status including current address, changes in family composition, or preference factors. The HRA will annotate the applicant's file and will update their place on the waiting list.

The second phase is the final determination of eligibility, referred to as the full application. The full application takes place when the family nears the top of the waiting list. The HRA will ensure that verification of all preferences, eligibility, suitability selection factors are current in order to determine the family's final eligibility for admission into the Housing Choice Voucher Program.

4.3 ORGANIZATION OF THE WAITING LIST

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

- A. The application will be a permanent file;
- B. All applications will be maintained in order of preference and then in order of date and time of application;
- C. Any significant contact between the HRA and the applicant will be documented in the applicant file.

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

All files (applicant or participant) shall be retained for three years from the date the file is closed, whether this is due to the surrender of a housing choice voucher or the removal of a person from the waiting list, whichever is later.

4.4 FAMILIES NEARING THE TOP OF THE WAITING LIST

When a family appears to be within two months of being offered assistance, the family will be invited to an interview and the verification process will begin.

It is at this point in time that a criminal background check, proof of citizenship and/or eligible immigration will be completed. The applicant will be given an opportunity to dispute the information received. Any additional information will be reviewed and action taken if necessary in 4.8, actions for denial. The HRA must notify the family in writing of this determination and give the family the opportunity for an informal review.

The family will complete a full application, present verifications of each household members' Social Security number and birth dates and sign required program forms. Annual income and assets must be verified within 60 calendar days.

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 original family members, the housing authority will consider the following factors in determining which family retains their placement on the waiting list or will continue to receive assistance; (1) the interest of any minor children, including custody arrangements; (2) the interest of any ill, elderly, or disabled family members; and (3) any possible risks to family members as a result of a domestic violence or criminal/illegal activity. See 14.2 D. for information for families currently receiving assistance.

4.5 MISSED APPOINTMENTS

All applicants who fail to keep a scheduled appointment in accordance with the paragraph below will be sent a notice of denial.

The HRA will allow the family to reschedule appointments for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities for good cause. When a good cause exists, the HRA will work closely with the family to find a more suitable time. Applicants will be offered the right to an informal review before being removed from the waiting list.

4.6 PURGING THE WAITING LIST

The HRA will update and purge its waiting list when there is sufficient budget and staff capacity to handle the update to ensure that the pool of applicants reasonably represents interested families. Purging also enables the Housing Authority to update the information regarding address, family composition, income category and preferences.

The purge shall consist of the Housing Authority mailing via first class mail a form to be completed by the person on the waiting list and returned to the housing authority within a specified number of calendar days. If the envelope is returned as undeliverable or if no response is received from the applicant within the specified time frame, the applicant shall be stricken from the waiting list. If the envelope is returned with a forwarding address on it, the housing authority shall mail the form to the new address, with a new deadline for response.

4.7 REMOVAL OF APPLICANTS FROM THE WAITING LIST

The HRA will not remove an applicant's name from the waiting list unless:

- A. The applicant requests that the name be removed;
- B. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses scheduled appointments;
or
- C. The applicant does not meet either the eligibility or screening criteria for the program.
- D. The applicant has been issued a Housing Choice Voucher.

4.8 GROUNDS FOR DENIAL

The HRA will deny assistance to applicants who:

- A. Do not meet any one or more of the eligibility criteria;
- B. Do not supply information or documentation required by the application process;

- C. Fail to respond to a written request for information or a request to declare their continued interest in the program;
- D. Fail to complete any aspect of the application or lease-up process;
- E. Have a history of criminal activity by any household member involving crimes of physical violence against persons or property, and/or any other criminal activity including prostitution and drug-related criminal activity that would adversely affect the health, safety, or well-being of other tenants or staff, or cause damage to the property and any sex related offences including but not limited to exposing, stalking and other criminal sexual conduct.
- F. Currently owes rent or other amounts to any housing authority in connection with the public housing or Housing Choice Voucher Programs or other government benefits to include county, state and federal; being current with a repayment agreements with other agencies will be taken into account;
- G. Have committed fraud, bribery, or any other corruption in connection with any Federal housing assistance program, including the intentional misrepresentation of information related to their housing application or benefits derived there from;
- H. Have a family member who was evicted from public housing within the last three years;
- I. Have a family member who was evicted from assisted housing for drug-related criminal activity involving the illegal manufacture, sale, distribution, or possession with the intent to manufacture, sell, distribute a controlled substance as defined in Section 102 of the Controlled Substances Act, 21 U.S.C. 802;

This applies for a period of three years from the date of eviction. The HRA may admit the household member if:

- 1. The member has successfully completed a supervised drug rehabilitation program approved by the HRA, or
 - 2. The circumstances leading to the eviction no longer exists, for example, if the family member died or is in imprisoned.
- J. Have a family member who is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The HRA may waive this requirement if:
- 1. The person demonstrates to the HRA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
 - 2. The person has successfully completed a supervised drug or alcohol rehabilitation program;
 - 3. The person has otherwise been rehabilitated successfully; or
 - 4. The person is participating in a supervised drug or alcohol rehabilitation program.

- K. Have engaged in or threatened abusive or violent behavior towards any HRA staff or residents;
- L. Have a family household member who has been terminated under the Housing Choice Voucher Program during the last three years;
- M. Have a family member who has been convicted of manufacturing or producing methamphetamine (speed) (Denied for life);
- N. Have a family member with a lifetime registration under a State sex offender registration program (Denied for life);
- O. The PHA determines that it has a reasonable cause to believe that abuse or pattern of abuse of alcohol by a household member may threaten the health or safety of, or the right to peaceful enjoyment of the premises by other residents;
- P. Have a family member that has had a drug conviction within the last three years;
- Q. Do not submit evidence of citizenship or eligible immigration status or are not eligible based on non-citizen rule regulations.
- R. Have a household member who is a fugitive felon, parole violator or person fleeing to avoid prosecution, or custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees.

4.9 NOTIFICATION OF NEGATIVE ACTIONS

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

Use of Criminal Record – If the HRA denies admission for criminal activity as shown by a criminal record, the HRA will provide the subject of the record with a copy of the criminal record.

4.10 INFORMAL REVIEW

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

the informal review. The informal review process is described in Section 16.2 of this Plan.

4.11 RECORD RETENTION

The St. Cloud HRA will retain records for the last three years of applicants, Form 50058 and supporting documentation during the term of each assisted lease, and for a period of three years from the end of participation date.

5.0 SELECTING FAMILIES FROM THE WAITING LIST

5.1 WAITING LIST ADMISSIONS AND SPECIAL ADMISSIONS

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

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

5.2 PREFERENCES

The HRA will select families based on the following preferences.

- A. Displaced person(s): Individuals or families displaced by government action or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
- B. Tenants in the HRA Public Housing Program who are required to move and who cannot be placed in another public housing unit.

5.3 SELECTION FROM THE WAITING LIST

Based on the above preferences, all families in preference will be weighted the same.

The date and time of application will be utilized to determine the sequence within the above-prescribed preferences.

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

If there are not enough extremely low-income families on the waiting list we will conduct outreach on a non-discriminatory basis to attract extremely low-income families to reach the statutory requirement.

6.0 ASSIGNMENT OF BEDROOM SIZES (SUBSIDY STANDARDS)

The HRA will issue a voucher for a particular bedroom size – the bedroom size is a factor in determining the family’s level of assistance. The HRA will use the appropriate city rental licensed bedroom size to determine the number of bedrooms for the voucher and HQS. The following guidelines will determine each family’s unit size without overcrowding or over-housing:

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
0	1	2
1	1	4
2	2	6
3	3	8
4	3	10
5	8	12
6	10	14

In determining bedroom size, the HRA will include the presence of children who are in the process of being adopted, children whose custody is being obtained or temporarily in foster-care. Space will not be provided for adult children or family members who will be absent most of the time such as a member who is away in the military, or attending school away from home.

Bedroom size will also be determined using the following guidelines:

- A. Children of the same sex will share a bedroom.
- B. Children of the opposite sex, both under the age of 6 will share a bedroom.
- C. Adults and children will not be required to share a bedroom.
- D. Foster–adults and children will not be required to share a bedroom with family members.

- E. Live-in aides will get a separate bedroom. No additional bedrooms are provided for a live-in attendant's family.
- F. Persons of different generations will not be required to share a bedroom.
- G. Persons of the opposite sex that are not persons of a different generations which are called a "friend" of the household are considered a "spouse" for the purposes of assigning a bedroom size. "Friend" being defined as anyone not related to the head of household by blood, marriage, or operation of law and is not a live-in attendant.

The HRA will grant exceptions to normal occupancy standards when a family requests a larger size than the guidelines allow and documents a medical reason why the larger size is necessary.

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

6.1 BRIEFING

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

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

The briefing will cover at least the following subjects:

- A. A description of how the program works;
- B. Family and owner responsibilities;
- C. Where the family may rent a unit, including inside and outside the Housing Authority's jurisdiction;
- D. Types of eligible housing;
- E. An explanation of how portability works, including how the family's assistance can be affected through re-screening by the Receiving Housing Authority,

changes in the subsidy and payment standards, and other elements of the portability process that could affect the family's assistance.

- F. An explanation of the advantages of living in an area that does not have a high concentration of poor families; including maps that show locations of housing opportunities outside areas of poverty or minority concentration, both within and outside its jurisdiction and neighboring jurisdiction; has assembled information about job opportunities, schools, transportation and other services in these areas and
- G. An explanation that the family share of rent may not exceed 40% of the family's monthly adjusted income, and the fact that the family will pay a security deposit from its own funds.
- H. An explanation of information contained in the Housing Choice Voucher packet.

6.2 PACKET

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

- A. The term of the voucher and the Housing Authority's policy on extensions and suspensions of the term. The packet will include information on how to request an extension and forms for requesting extensions;
- B. How the Housing Authority determines the housing assistance payment and total tenant payment for the family;
- C. Information on the payment standard, exception payment standard rent areas, and the utility allowance schedule;
- D. How the Housing Authority determines the maximum rent for an assisted unit;
- E. Where the family may lease a unit. For families qualified to lease outside the Housing Authority's jurisdiction, the packet includes an explanation of how portability works, including how the family's assistance can be affected through re-screening by the Receiving Housing Authority, changes in the subsidy and payment standards, other elements of the portability process that could affect the family's assistance and a list of names, addresses and phone numbers of contact persons at neighboring housing authorities;
- F. The HUD-required tenancy addendum that provides the language that must be included in any assisted lease, and a sample contract;
- G. The request for approval of the tenancy form and an explanation of how to request Housing Authority approval of a unit;
- H. A statement of the Housing Authority's policy on providing information to prospective owners. This policy requires applicants to sign disclosure statements allowing the Housing Authority to provide prospective owners with the family's current and prior addresses and the names and addresses of the landlords for those addresses. Upon request, the Housing Authority will also supply any factual information or third party verification relating to the applicant's history as a tenant or their ability to comply with material standard lease terms or any history of drug trafficking, drug-related criminal activity or any violent criminal activity;

- I. The Housing Authority's subsidy standards, including when the Housing Authority will consider granting exceptions to the standards, such as reasonable accommodation for a person with a disability;
- J. The HUD brochure on how to select a unit ("A Good Place to Live");
- K. The HUD-required lead-based paint brochure;
- L. Information on Federal, State, and local equal opportunity laws; the brochure "Fair Housing: It's Your Right;" and a copy of the housing discrimination complaint form;
- M. A list of landlords or other resources (such as newspapers, organizations and online search tools) known to the HRA who may be willing to lease a unit to the family or help the family find a unit including owners with properties located outside areas of poverty or minority concentration;
- N. Notice that if the family includes a person with disabilities, the family may request a current list of accessible units known to the HRA that may be available;
- O. The family's obligations under the program;
- P. The grounds upon which the Housing Authority may terminate assistance because of the family's action or inaction;
- Q. HRA informal hearing procedures, including when the Housing Authority is required to provide the opportunity for an informal hearing, and information on how to request a hearing; and
- R. The HRA owner information brochure. This brochure can be given by the applicant to a prospective owner to help explain the program.
- S. An explanation of rights afforded to Housing Choice Voucher participants under the Violence Against Women Act.

6.3 ISSUANCE OF VOUCHER; REQUEST FOR APPROVAL OF TENANCY

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

When the family finds a unit that the owner is willing to lease under the program, the family and the owner will complete and sign a proposed lease, the HUD required tenancy addendum and the request for approval of the tenancy form. The family will submit the proposed lease and the request form to the Housing Authority during the term of the voucher. The Housing Authority will review the request, the lease, and the HUD required tenancy addendum and make an initial determination of approval of tenancy. The Housing Authority may assist the family in negotiating changes that may be required for the tenancy to be approvable. Once it appears the tenancy may be approvable, the Housing Authority will schedule an appointment to inspect the unit within 15 days after the receipt of inspection request from the family and owner. The 15 day period is suspended during any period the unit is unavailable for inspection. The Housing Authority will promptly notify the owner and the family whether the unit and tenancy are approvable.

Screening is the responsibility of the owner. Upon request by a prospective owner, the

Housing Authority will provide any factual information or third party written information they have relevant to a voucher holder's history of, or ability to, comply with standard material lease terms.

6.4 TERM OF THE VOUCHER

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

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

If the family needs and requests an extension of the initial voucher term as a reasonable accommodation to make the program accessible to a family member who is a person with disabilities, the HRA will extend the voucher term up to the term reasonably required for that purpose.

Upon submittal of a completed request for approval of tenancy form, the HRA will suspend the term of the voucher. The term will be in suspension until the date the Housing Authority provides written notice that the request has been approved or denied. This policy allows families the full term (60 days, or more with extensions) to find a unit, not penalizing them for the period during which the Housing Authority is taking action on their request. A family may submit a second request for approval of tenancy before the Housing Authority finalizes action on the first request. In this case the suspension will last from the date of the first submittal through the Housing Authority's action on the second submittal. No more than two requests will be concurrently considered. Examples of extenuating circumstances are death or illness that prevented the family from finding a unit.

If a family's voucher expires, the family is no longer eligible for housing assistance. They are free to re-apply to the Housing Choice Voucher program and start over again at the bottom of the waiting list. If the waiting list is closed, they must wait until the Housing Authority is once again accepting applicants for the Section 8 program. They will be treated exactly like all other new applicants for the program.

6.5 APPROVAL TO LEASE A UNIT

The HRA will approve a lease if all of the following conditions are met:

- A. The unit is eligible;
- B. The unit is inspected by the Housing Authority and passes HQS;

- C. The lease is approvable and includes the following;
 - Names of the owner and the resident;
 - Address of the unit rented;
 - 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; and
 - The required HUD tenancy addendum.
- D. The initial term of the lease is at least one year.
- E. The rent to owner is reasonable;
- F. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
- G. The owner has not been found to be debarred, suspended, or subject to a limited denial of participation by HUD or the Housing Authority; and
- H. The family continues to meet all eligibility and screening criteria.
- I. The unit has a current rental license, if required by the city/county where located.

If tenancy approval is denied, the Housing Authority will advise the owner and the family in writing and advise them of any actions they could take that would enable the Housing Authority to approve the tenancy.

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

- A. The unit passes the Housing Authority HQS inspection;
- B. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
- C. The landlord and tenant sign the lease to include the HUD required addendum; and
- D. The Housing Authority approves the leasing of the unit.
- E. The owner certifies that he or she is not in a conflict of interest situation with the resident.

The Housing Authority will prepare the contract when the unit is approved for tenancy. The term of the HAP contract begins on the first day of the lease term and ends on the last day of the lease term. Generally, the landlord, simultaneously with the signing of the lease and the HUD required tenancy addendum, will execute the contract. Upon receipt of the executed lease and the signed contract by the landlord, the Housing Authority will execute the contract. The Housing Authority will not pay any housing assistance to the owner until the contract is executed.

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

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

6.6 HRA DISAPPROVAL OF OWNER

The Housing Authority will deny participation by an owner at the direction of HUD. The Housing Authority will also deny the owner's participation for any of the following reasons:

- A. The owner has violated any obligations under a Housing Choice Voucher Program Housing Assistance Payments Contract;
- B. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- C. The owner has engaged in drug-related criminal activity or any violent criminal activity;
- D. The owner has a history or practice of non-compliance with HQS for units leased under Housing Choice Voucher Program or with applicable housing standards for units leased with project-based Housing Choice Voucher Program assistance or leased under any other Federal housing program;
- E. The owner has a history or practice of renting units that fail to meet State or local codes;
- F. The owner has not paid State or local real estate taxes, fines, or assessments;
- G. The owner refuses (or has a history of refusing) to evict families for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the:
 - 1. premises by tenants, HRA employees or owner employees; or
 - 2. residences by neighbors;
- H. If the owner is the parent, child, grandparent, grandchild, sister or brother or any family of an applicant seeking the initial use of a housing choice voucher (currently shopping) unless the St. Cloud HRA determines that the approving unit would provide reasonable accommodation for a family member who is a person with disabilities.
- I. Other conflicts of interest under Federal, State, or local law.
- J. The Housing Authority has been informed by HUD that the federal government has instituted an administrative or judicial action against the owner for a violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending or a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

6.7 INELIGIBLE/ELIGIBLE HOUSING

The following types of housing cannot be assisted under the Housing Choice Voucher Program:

- A. A public housing or Indian housing unit;

- B. A unit receiving project-based assistance under a Housing Choice Voucher Program;
- C. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
- D. College or other school dormitories;
- E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions;
- F. A unit occupied by its owner. This restriction does not apply to cooperatives or to assistance on behalf of a manufactured home owner leasing a manufactured home space; and
- G. A unit receiving any duplicative Federal, State, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.

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

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

The HRA will approve leases for the following housing types:

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

6.8 SECURITY DEPOSIT

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

When the tenant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owes under the lease.

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

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

7.0 MOVES WITH CONTINUED ASSISTANCE

Participating families are allowed to move to another unit after the term of their lease has expired or if the landlord and the participant have mutually agreed to terminate the lease, or if the Housing Authority has terminated the HAP contract. The HRA will issue the family a new voucher if the family does not owe money to the HRA, any other Housing Authority, previous or current landlord, and has not violated a family obligation and if the HRA has sufficient funding for continued assistance. No more than one move within a 12-month period of time will be allowed unless approved as 'good cause' by the St. Cloud Housing and Redevelopment Authority. See Section 13.0 – Owner Claims – for additional information.

Family Obligation under the Housing Choice Voucher Program includes:

- Supplying required information deemed necessary by HUD or the HRA to administer the program. This includes information related to the calculation of income, family composition, signatures on consent forms, submission of documents related to eligible immigration status, and disclosure and verification of social security numbers.
- Responsibility for any breach of HQS caused by the family.
- Permitting HQS inspections.
- Complying with the lease.
- Submitting notices to the HRA and owner before moving out of the unit or terminating the lease.
- Supplying the HRA with any eviction notice received from the owner.
- Using the assisted unit as the family's only residence and providing notification of any changes in household composition including the departure of a household member.
- May not sublet or assign the lease.
- May not be absent in violation of the HRA policy on absences from the unit and must provide HRA-requested information on the purposes of family absences.
- Must not own or have any interest in the unit, except ownership in a cooperative.

- Must not be receiving any other form of tenant-based or duplicative assistance.
- Must not engage in drug-related criminal or violent criminal activity.
- Must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.

7.1 WHEN A FAMILY MAY MOVE

For families already participating in the Voucher Program, the HRA may allow the family to move to a new unit if:

- A. The assisted lease for the old unit has terminated;
- B. The owner has given the tenant a notice to vacate, has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the tenant; or
- C. The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner).
- D. See Portability for further information.
- E. The family or a member of the family is or has been the victim of domestic violence, dating violence, or stalking, as provided in 24 CFR part 5, subpart L, and the move is needed to protect the health or safety of the family or family member. The St. Cloud HRA will not terminate assistance if the family, with or without prior notification to the housing authority, already moved out of a unit in violation of the lease, if such move occurred to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the dwelling unit.

7.2 PROCEDURES REGARDING FAMILY MOVES

Families considering transferring to a new unit will be scheduled to attend a move appointment.

This recertification is intended to provide the following:

- A. Emphasis will be on giving proper notice and meeting all lease requirements such as leaving the unit in good condition;
- B. Information about finding suitable housing and the advantages of moving to an area that does not have a high concentration of poverty;
- C. Payment standards, exception payment standard rent areas, and the utility allowance schedule;

- D. An explanation that the family's share of rent may not exceed 40% of the family's monthly adjusted income;
- E. Portability requirements and opportunities;
- F. The need to have a reexamination conducted within 120 days prior to the move;
- G. An explanation and copies of the forms required to initiate and complete the move.

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

The family is required to give the HRA a copy of the notice to terminate the lease at least 30 days before the move is to take place. A family's failure to do so will be considered a violation of Family Obligations and may cause the family to be terminated from the program.

8.0 PORTABILITY

8.1 *GENERAL POLICIES OF THE HRA*

Families, where neither the household head nor spouse/significant other/co-tenant, had a domicile (legal residence) in the St. Cloud HRA's jurisdiction at the time of application, will not have the right to portability for the first 12 months after they are accepted to the Housing Choice Voucher Program. They will need to use their voucher assistance within the HRA's jurisdiction for the first 12 months of their initial participation period.

Families participating in the Voucher Program will not be allowed to move more than once in any 12-month period and under no circumstances will the St. Cloud_HRA allow a participant to improperly break a lease. Under extraordinary circumstances the HRA may consider allowing more than one move in a 12-month period. This does not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, or stalking and the move is needed to protect the health or safety of the family or family member.

Families may only move to a jurisdiction where a Housing Choice Voucher Program is being administered.

If a family has moved out of their assisted unit in violation of the lease, the HRA will not issue a voucher, and will terminate assistance in compliance with Section 17.0, Grounds for Termination of the Lease and Contract. This will not apply if the family has complied with all program requirements and the family has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been the victim of

domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit.

To the degree possible, portability moves will be utilized to affirmatively further fair housing.

A family 's eligibility to exercise the portability option is to be determined by the Initial Housing Authority.

If a family chooses to port to another housing authority jurisdiction, the Initial Housing Authority shall inform the family that it may be re-screened by the Receiving Housing Authority and may lose its assistance if the family fails to meet the Receiving Housing Authority's screening criteria.

8.3 PORTABILITY: ADMINISTRATION BY RECEIVING HOUSING AUTHORITY

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

8.4 PORTABILITY PROCEDURES

- A. When the St. Cloud HRA is the Initial Housing Authority:
 - 1. When the family decides to use the voucher outside of the St. Cloud HRA's jurisdiction, the family must notify the St. Cloud HRA of their desire to relocate and must specify the location where they want to live.
 - 2. The St. Cloud HRA must determine the family's eligibility to move in accordance with 24 CFR 982.353 and 982.354.
 - 3. The St. Cloud HRA must contact the receiving PHA, via email or other confirmed delivery method, prior to approving the family's request to move in order to determine whether the voucher will be absorbed or billed by the receiving PHA.
 - 4. If the receiving PHA will bill St. Cloud HRA for the portability voucher and the cost of the HAP will increase due to the move, the St. Cloud HRA may deny the move if it does not have sufficient funding for continued assistance in accordance with 24 CFR 982.354.
 - 5. If a billing arrangement is approved by the St. Cloud HRA or if the voucher is to be absorbed by the receiving PHA, the St. Cloud HRA must

issue the family a voucher to move, if it has not already done so, and advise the family how to contact and request assistance from the receiving PHA.

6. The St. Cloud HRA must promptly notify the receiving PHA to expect the family. The St. Cloud HRA must give the receiving PHA the form HUD-52665, the most recent form HUD-50058 (Family Report) for the family, and all related verification information.
7. The family must promptly contact the receiving PHA in order to be informed of the receiving PHA's procedures for incoming portable families and comply with these procedures. The family's failure to comply may result in denial or termination of the receiving PHA's voucher.
8. The St. Cloud HRA must determine whether the family is eligible for admission to the receiving PHA's HCV Program if the family has not already received assistance from the St. Cloud HRA's HCV Program. In determining income eligibility, the receiving PHA's income limits are used by the initial PHA.
9. When a receiving PHA assists a family under portability, administration of the voucher must be in accordance with the receiving PHA policies,
10. At any time, either the St. Cloud HRA or the receiving PHA may make a determination to deny or terminate assistance to the family in accordance with 24 CFR 982.552 and 982.553.

B. When the St. Cloud HRA is the Receiving Housing Authority:

1. The initial PHA must promptly notify the St. Cloud HRA to expect the family and give the St. Cloud HRA the form HUD-52665, the most recent form HUD-50058 (Family Report) for the family, and all related verification information.
2. The family must promptly contact the St. Cloud HRA in order to be informed of the St. Cloud HRA's procedures for incoming portable families and comply with these procedures. The family's failure to comply may result in denial or termination of the St. Cloud HRA's voucher.
3. The St. Cloud HRA does not determine eligibility for a participant family. However, for a family that was not already receiving assistance in the PHA's HCV Program, the initial PHA determine whether the family is eligible for admission to the St. Cloud HRA's HCV program. In determining income eligibility, the St. Cloud HRA's income limits are used by the initial PHA.
4. When the St. Cloud HRA assists a family under portability, administration of the voucher must be in accordance with the St. Cloud HRA's policies.
5. If the St. Cloud HRA opts to conduct a new reexamination for a current participant family, the St. Cloud_HRA may not delay issuing the family a voucher or otherwise delay approval of a unit.

6. The St. Cloud HRA must determine the family unit size for the family, and base its determination on the subsidy standards of the St. Cloud HRA.
7. The St. Cloud HRA must issue a voucher to the family. The term of the St. Cloud HRA voucher may not expire before 30 calendar days from the expiration date of the initial PHA voucher. If the voucher expires before the family arrives at the St. Cloud HRA, the St. Cloud HRA must contact the initial PHA to determine if it will extend the voucher.
8. Once the St. Cloud HRA issues the portable family a voucher, the St. Cloud HRA's policies on extensions of the voucher term apply.
9. The family must submit a request for tenancy approval to the St. Cloud HRA during the term of the St. Cloud HRA's voucher.
10. At any time, either the initial PHA or the St. Cloud HRA may make a determination to deny or terminate assistance to the family in accordance with 24 CFR 982.552 and 982.553.

9.0 DETERMINATION OF FAMILY INCOME.

9.1 INCOME, EXCLUSIONS FROM INCOME, DEDUCTIONS FROM INCOME

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

9.2 INCOME

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

1. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
3. Are not specifically excluded from annual income.
4. If it is not feasible to anticipate a level of income over a 12-month period (e.g. seasonal or cyclic income), or the Housing Authority believes that past income is the best available indicator of expected future income, the Housing Authority may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.

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

1. The full amount, before any payroll deductions, of wages and salaries,

- overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
 3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD. Income that could have been derived from assets worth more than \$1000 that were disposed of for less than fair market value within the past two years will be counted as income.
 4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)
 5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)
 6. Welfare assistance.
 - a. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income consists of:

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

9.3 EXCLUSIONS FROM INCOME

Annual income does not include the following:

- A. Income from employment of children (including foster children) under the age of 18 years;
- B. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone); or payments made under Kin-GAP or similar guardianship care programs for children leaving the juvenile court system.
- C. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
- D. Amounts received by the family that is specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- E. Income of a live-in aide;

- F. The amount of student financial assistance paid directly to the student or to the educational institution for tuition, mandatory fees and charges. For Section 8, any financial assistance, in excess of amounts received for tuition, 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 this paragraph 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;
- G. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- H. The amounts received from the following programs:
1. Amounts received under training programs funded by HUD;
 2. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
 4. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiative coordination. No resident may receive more than one such stipend during the same period of time;
 5. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;
 6. Temporary, nonrecurring, or sporadic income (including gifts);
 7. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
 8. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
 9. Adoption assistance payments in excess of \$480 per adopted child;

10. Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
11. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
12. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
13. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits.

These exclusions include:

- a. The value of the allotment of food stamps
- b. Payments to volunteers under the Domestic Volunteer Services Act of 1973
- c. Payments received under the Alaska Native Claims Settlement Act
- d. Income from sub-marginal land of the U.S. that is held in trust for certain Indian tribes
- e. Payments made under HHS' Low-Income Energy Assistance Program
- f. Income from the disposition of funds of the Grand River Band of Ottawa Indians
- g. The first \$2000 per capita received from judgment funds awarded for certain Indian claims
- h. Amounts of scholarships funded under title IV of the Higher Education Act of 1965, including awards under Federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1407-1408).
- i. Payments received under the Older Americans Act of 1965
- j. Payments from Agent Orange Settlement
- k. Payments received under the Maine Indian Claims Act
- l. The value of child care under the Child Care and Development Block Grant Act of 1990
- m. Earned income tax credit refund payments
- n. Payments for living expenses under the AmeriCorps Program
- o. 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); and
- p. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931).

9.4 DEDUCTIONS FROM ANNUAL INCOME

The following deductions will be made from annual income:

- A. \$480 for each dependent
- B. \$400 for any elderly family or disabled family
- C. For any family that is not an elderly or disabled family but has a member (other than the head or spouse) who is a person with a disability, disability assistance expenses in excess of 3% of annual income. This allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the person with disabilities.
- D. For any elderly or disabled family:
 - 1. That has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed 3% of annual income. Medical expenses defined by IRS Publication 502;
 - 2. That has disability expenses greater than or equal to 3% of annual income, an allowance for disability assistance expenses computed in accordance with paragraph C, plus an allowance for medical expenses that equal the family's medical expenses;
 - 3. That has disability assistance expenses that are less than 3% of annual income, an allowance for combined disability assistance expenses and medical expenses that is equal to the total of these expenses less 3% of annual income.
- E. Child care expenses. 24 CFR 5.603B

St. Cloud HRA defines child care expenses as amounts anticipated to be paid by the family for the care of children under 13-years old during the period for which annual income is computed. Child care must be 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.

Any 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.

- 1. 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.
- 2. The family must identify the family member(s) enable 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).

St. Cloud HRA may 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.

3. 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 allowed by the St. Cloud HRA.
4. 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.
5. 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.

9.5 RECEIPT OF A LETTER OR NOTICE FROM HUD CONCERNING INCOME

- A. If a Housing Choice Voucher participant receives a letter or notice from HUD concerning the amount or verification of family income, the letter shall be brought to the person responsible for income verification within thirty (30) calendar days of receipt by the participant.
- B. The St. Cloud HRA shall reconcile any difference between the amount reported by the participant and the amount listed in the HUD communication. This shall be done as promptly as possible.
- C. After the reconciliation is complete, the St. Cloud HRA shall, if appropriate, adjust the participant's rental contribution beginning at the start of the next month. If the reconciliation is completed during the final five (5) calendar days of the month, the new rent shall take effect on the first day of the second month following the end of the current month. In addition, if the participant had not previously reported the proper income, the St. Cloud HRA shall do one of the following:

1. Immediately collect the back over paid assistance paid by the agency;
2. Establish a repayment plan for the resident to pay the sum due to the agency;
3. Terminate the participant from the program for failure to report income; or
4. Terminate the participant from the program for failure to report income and collect the back over paid assistance paid by the agency.

9.6 COOPERATING WITH WELFARE AGENCIES

The Housing Authority will make its best efforts to enter into cooperation agreements with local welfare agencies under which the welfare agencies will agree:

- A. To target assistance, benefits and services to families receiving assistance in the public housing and Section 8 tenant-based assistance program to achieve self-sufficiency.
- B. To provide written verification to the Housing Authority concerning welfare benefits for families applying for or receiving assistance in our housing assistance programs.

9.7 COOPERATING WITH LAW ENFORCEMENT AGENCIES

The Housing Authority will comply, on a case-by-case basis, with information requests from Federal, State or local law enforcement officers regarding possible fugitive felons and/or a parole or probation violators. The Housing Authority will supply upon legitimate request (1) the current address, (2) Social Security number and (3) photograph (if available) of any recipient of assistance.

The Federal, State or local enforcement officer must submit a request that is (1) written, (2) on law enforcement agency letterhead, and (3) is signed by the requesting officer and his or her immediate supervisor. The request for information must provide the name of the fugitive felon and/or parole or probation violator being sought, and may include other personal information used for identification. The request should also comply with the following requirements:

- A. The law enforcement agency shall notify Housing Authority that the fugitive felon and/or parole or probation violator (i) is fleeing to avoid prosecution, custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor; or (ii) is violating a condition of probation or parole imposed under Federal or State law; or (iii) has information that is necessary for the officer to conduct his/her official duties;

- B. The location or apprehension of the recipient is within the Housing Authority's official duties; and,
- C. The request is made in the proper exercise of the law enforcement agency's official duties.

10.0 VERIFICATION

The HRA will verify information related to waiting list preferences, eligibility, admission and level of benefits prior to admission. Periodically during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations, full time student status of family members 18 years of age and older, Social Security numbers, dates of birth and citizenship/eligible non-citizen status. The St. Cloud HRA must obtain third-party verification of all family assets upon admitting a family to the HCV program and then again at least every three years. Households will be allowed to self-certify assets of up to \$5,000, and fully excluded income.

10.1 METHODS OF VERIFICATION AND AGE OF DATA

The HRA will verify information through the five methods of verification acceptable to HUD in the following order:

1. Upfront Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system (not available for income verifications of applicants)
2. Upfront Income Verification (UIV) using non-HUD system
3. Written Third Party Verification
4. Written Third Party Verification Form
5. Oral Third Party Verification
6. Participant Declaration

Upfront Income Verification (Level 1/2): The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

Written Third Party Verification (Level 3): An original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination or HRA request date. Such documentation may be in the possession of the participant (or applicant), and is commonly referred to as a tenant-provided document. The HRA may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.

Written Third Party Verification Form (Level 4): Also, known as traditional third party verification. A standardized form to collect information from a third party source. The form is completed by the third party by hand (in writing or typeset). HRA sends the form directly to the third party source by mail, fax, or email.

Oral Third Party Verification (Level 5): Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone or in-person visit. HRA staff should document in the participant file, the date and time of the telephone call (or visit to the third party), the name of the person contacted and telephone number, along with the confirmed information

Participant Declaration (Level 6): The participant submits an affidavit or notarized statement of reported income and/or expenses to the HRA. This verification method should be used as a last resort when the HRA has not been successful in obtaining information via all other verification techniques. When the HRA relies on participant declaration, the HRA must document in the participant file why third party verification was not available.

10.2 TYPES OF VERIFICATION

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

Verification Requirements for Individual Items		
Item to Be Verified	3 rd party verification	Hand-carried verification
General Eligibility Items		
Social Security Number	Not Allowed	Social Security card, or an appropriate government letter

Verification Requirements for Individual Items		
Item to Be Verified	3 rd party verification	Hand-carried verification
		showing the number
Citizenship	N/A	Signed certification, voter's registration card, birth certificate, etc.
Eligible immigration status	INS SAVE confirmation #	INS card
Disability	Letter from medical professional, SSI, etc	Proof of SSI or Social Security disability payments
Full time student status (if >18)	Letter from school	For high school students, any document evidencing enrollment
Need for a live-in aide	Letter from doctor or other professional knowledgeable of condition	N/A
Child care costs	Letter from care provider	Bills and receipts
Disability assistance expenses	Letters from suppliers, care givers, etc.	Bills and records of payment
Medical expenses	Letters from providers, prescription record from pharmacy, medical professional's letter stating assistance or a companion animal is needed	Bills, receipts, records of payment, dates of trips, mileage log, receipts for fares and tolls
Value of and Income from Assets		
Savings, checking accounts	Letter from institution	Passbook, most current statements
CDs, bonds, etc	Letter from institution	Tax return, information brochure from institution, the CD, the bond
Stocks	Letter from broker or holding company	Stock or most current statement, price in newspaper or through Internet
Real property	Letter from tax office, assessment,	Property tax statement (for

Verification Requirements for Individual Items		
Item to Be Verified	3 rd party verification	Hand-carried verification
	etc.	current value), assessment, records or income and expenses, tax return
Personal property held as an investment	Assessment, bluebook, etc	Receipt for purchase, other evidence of worth
Cash value of life insurance policies	Letter from insurance company	Current statement
Assets disposed of for less than fair market value	N/A	Original receipt and receipt at disposition, other evidence of worth
Income		
Earned income	Letter from employer	Multiple pay stubs
Self-employed	N/A	Tax return from prior year, books of accounts
Regular gifts and contributions	Letter from source, letter from organization receiving gift (i.e., if grandmother pays day care provider, the day care provider could so state)	Bank deposits, other similar evidence
Alimony/child support	Court order, letter from source, letter from Human Services	Record of deposits, divorce decree
Periodic payments (i.e., social security, welfare, pensions, workers' comp, unemployment)	Letter or electronic reports from the source	Award letter, letter announcing change in amount of future payments
Training program participation	Letter from program provider indicating <ul style="list-style-type: none"> - whether enrolled - whether training is HUD-funded - whether State or local program - whether it is employment training - whether payments are for out-of-pocket expenses incurred in order to participate in a program 	N/A

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

10.3 VERIFICATION OF CITIZENSHIP OR ELIGIBLE NON-CITIZEN STATUS

The citizenship/ eligible non-citizen status of each family member regardless of age must be determined.

Prior to being admitted, all citizens and nationals will be required to sign a declaration under penalty of perjury. (They will be required to show proof of their status by such means as birth certificate, military ID or military DD 214 Form.)

Prior to being admitted, all eligible non-citizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age.

Upon application, all eligible non-citizens must sign a declaration of their status and a verification consent form and provide their original INS documentation. The HRA will make a copy of the individual's INS documentation and place the copy in the file. The HRA also will verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, the HRA will mail information to the INS so a manual check can be made of INS records.

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

Non-citizen students on student visas, though in the country legally, are not eligible to be admitted to the Housing Choice Voucher Program.

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

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

If the HRA determines that a family member has knowingly permitted an ineligible non-citizen (other than any ineligible non-citizens listed on the lease) to permanently reside in their Housing Choice Voucher Program unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Housing Choice Voucher Program for a period of 24 months from the date of termination.

10.4 VERIFICATION OF SOCIAL SECURITY NUMBERS

Prior to admission, each family member regardless of age must provide verification of his or her Social Security Number. New family members must provide this verification prior to being added to the lease. If the new family member is under the age of six and has not been assigned a social security number, the family shall have ninety (90) calendar days after starting to receive the assistance to provide a complete and accurate Social Security number.

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

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

If a member of a tenant family indicates they have a Social Security Number, but cannot readily verify it, they shall be asked to certify to this fact and shall up to 90 days to provide the verification. An extension of one additional 90-day period must be granted if the St. Cloud HRA determines that, in its discretion, the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant. If the individual fails to provide the verification within the time allowed, the family will be denied assistance or will have their assistance terminated. Participants aged 62 or older as of January 31, 2010, whose initial eligibility determination was begun before January 31, 2010 are exempt from the required disclosure of their Social Security Number. 24 CFR 5.218

10.5 TIMING OF VERIFICATION

Verification must be dated within 120 days of certification or reexamination. If the verification is older than this, the source will be contacted and asked to provide information regarding any changes.

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

10.6 FREQUENCY OF OBTAINING VERIFICATION

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

obtained at the next regular reexamination. Prior to a new member joining the family, their status will be verified.

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

10.7 SPECIAL VERIFICATION FOR ADULT STUDENTS

In addition to other verification procedures, student head of households must provide a written signed certification that the student does or does not receive any financial support from his or her parents or guardians and whether or not the student is receiving an athletic scholarship. If support is received, the certification must state the amount of the anticipated support. The Housing Authority shall verify using normal third party verification procedures that amount by communicating directly with the supporting person(s). If an athletic scholarship is involved, the Housing Authority shall determine if any of the scholarship is available for housing costs.

11.0 RENT AND HOUSING ASSISTANCE PAYMENT

11.1 GENERAL

After October 1, 1999, the HRA will issue only vouchers to applicants, movers, and families entering the jurisdiction through portability.

11.2 RENT REASONABLENESS

The Housing Authority will not approve an initial rent or a rent increase in any of the tenant-based programs without determining that the rent amount is reasonable. Reasonableness is determined prior to the initial lease and at the following times:

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

11.3 COMPARABILITY

In making a rent reasonableness determination, the Housing Authority will compare the rent for the unit to the rent of comparable units in the same or comparable neighborhoods. The Housing Authority will consider the location, quality, size, number of bedrooms, age, amenities, housing services, maintenance and utilities of the unit and the comparable units.

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

Owners are invited to submit information to the survey at any time. Owners may review the determination made on their unit and may submit additional information or make improvements to the unit that will enable the Housing Authority to establish a higher value.

The owner must certify the rents charged for other units. By accepting the housing assistance payment each month the owner is certifying that the rent to owner is not more than the rent charged by the owner for comparable unassisted units in the premises.

11.4 MAXIMUM SUBSIDY

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

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

For a voucher tenancy in an insured or noninsured 236 project, a 515 project of the Rural Development Administration, a Section 202 or 811 project, or a Section 221(d)(3) below market interest rate project the payment standard may not exceed the basic rent charged including the cost of tenant-paid utilities.

Furthermore, if any of the units also receive the benefit of a State, local, or federal housing subsidy (e.g., Section 8 project-based housing assistance payments contract), they are ineligible units under the HCV program.

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

11.4.1 Setting the Payment Standard

HUD requires that the payment standard be set by the Housing Authority at between 90 and 110% of the FMR. The HRA will review its determination of the payment standard annually after publication of the FMRs. The HRA will consider vacancy rates and rents in the market area, size and quality of units leased under the program, rents for units leased under the program, success rates of voucher holders in finding units, and the percentage of annual income families are paying for rent under the Voucher Program. If it is determined that success rates will suffer or that families are having to rent low

quality units or pay over 40% of income for rent, the payment standard may be raised to the level judged necessary to alleviate these hardships.

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

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

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

11.4.2 Selecting the Correct Payment Standard for a Family

- A. For the voucher tenancy, the payment standard for a family is the lower of:
 - 1. The payment standard for the family unit size; or
 - 2. The payment standard for the unit size rented by the family.
- B. If the unit rented by a family is located in an exception rent area, the Housing Authority will use the appropriate payment standard for the exception rent area.
- C. During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:
 - 1. The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner; or
 - 2. The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.
- D. At the next annual reexamination following a change in family size or composition during the HAP contract term and for any reexamination thereafter, paragraph C above does not apply.
- E. If there is a change in family unit size resulting from a change in family size or composition, the new family unit size will be considered when determining the payment standard at the next annual reexamination.

11.4.3 Area Exception Rents

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

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

11.5 ASSISTANCE AND RENT FORMULAS

A. Total Tenant Payment

The total tenant payment is equal to the highest of:

1. 10% of monthly income
2. 30% of adjusted monthly income
3. Minimum rent
4. The welfare rent

Plus any rent above the payment standard.

B. Minimum Rent.

The HRA has set the minimum rent as \$50.00. However, if the family requests a hardship exemption, the HRA will suspend the minimum rent for the family beginning the month following the family's hardship request. The suspension will continue until the Housing Authority can determine whether hardship exists and whether the hardship is of a temporary or long-term nature. During suspension, the family will not be required to pay a minimum rent and the Housing Assistance Payment will be increased accordingly.

1. A hardship exists in the following circumstances:
 - c. When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program;

- b. When the family would be evicted as a result of the imposition of the minimum rent requirement;
- c. When the income of the family has decreased because of changed circumstances, including loss of employment;
- d. When the family has an increase in expenses because of changed circumstances, for medical costs, childcare, transportation, education, or similar items;
- e. When a death has occurred in the family.

- 2. No hardship. If the Housing Authority determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent to the Housing Authority for the time of suspension.
- 3. Temporary hardship. If the Housing Authority determines that there is a qualifying hardship but that it is of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the date of the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. The Housing Authority will offer a reasonable repayment agreement for any minimum rent back payment paid by the Housing Authority on the family's behalf during the period of suspension.
- 4. Long-term hardship. If the Housing Authority determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.
- 5. Appeals. The family may use the informal hearing procedure to appeal the Housing Authority's determination regarding the hardship. No escrow deposit will be required in order to access the informal hearing procedures.

C. Housing Choice Voucher Program Merged Vouchers

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

D. Housing Choice Voucher Program Preservation Vouchers

- 1. Payment Standard
 - a. The payment standard is the lower of:

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

E. Manufactured Home Space Rental: Housing Choice Voucher Program Vouchers

- 1. The payment standard for a participant renting a manufactured home space is the published FMR for rental of a manufactured home space.
- 2. The space rent is the sum of the following as determined by the Housing Authority:
 - a. Rent to the owner for the manufactured home space;
 - b. Owner maintenance and management charges for the space; and

- c. Utility allowance for tenant paid utilities.
- 3. The participant pays the rent to owner less the HAP.
- 4. HAP equals the lesser of:
 - a. The payment standard minus the total tenant payment; or
 - b. The rent paid for rental of the real property on which the manufactured home owned by the family is located.

F. Rent for Families under the Non-citizen Rule

A mixed family will receive full continuation of assistance if all of the following conditions are met:

- 1. The family was receiving assistance on June 19, 1995;
- 2. The family was granted continuation of assistance before November 29, 1996;
- 3. The family's head or spouse has eligible immigration status; and
- 4. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three years. If granted after that date, the maximum period of time for assistance under the provision is 18 months. The HRA will grant each family a period of 6 months to find suitable affordable housing. If the family cannot find suitable affordable housing, the HRA will provide additional search periods up to the maximum time allowable.

Suitable housing means housing that is not substandard and is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25%.

The family's assistance is prorated in the following manner:

- 1. Find the prorated housing assistance payment (HAP) by dividing the HAP by the total number of family members, and then multiplying the result by the number of eligible family members.
- 2. Obtain the prorated family share by subtracting the prorated HAP from the gross rent (contract rent plus utility allowance).

3. The prorated tenant rent equals the prorated family share minus the full utility allowance.

11.6 UTILITY ALLOWANCE

The Housing Authority maintains a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection).

The utility allowance schedule is determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the Housing Authority uses both normal patterns of consumption for the community on the whole and current utility rates.

The Housing Authority reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10% or more in the utility rate since the last time the utility allowance schedule was revised. The Housing Authority maintains information supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with the HRA.

The Housing Authority will use the appropriate utility allowance for the lesser of the size of dwelling unit actually leased by the family Or the voucher size issued, as determined under the St. Cloud HRA's subsidy standard. 24 CFR 982.517

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

The Housing Authority will approve a request for a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

The utility allowance will be subtracted from the family's share to determine the amount of the Tenant Rent. The Tenant Rent is the amount the family owes each month to the owner. The amount of the utility allowance is then still available to the family to pay the cost of their utilities. The St. Cloud HRA will make the utility allowance payment to the utility provider. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant.

The HRA will comply with Minnesota State escheat laws (unclaimed property laws) with regard to any unclaimed utility allowance checks.

11.7 DISTRIBUTION OF HOUSING ASSISTANCE PAYMENT

The Housing Authority pays the owner the lesser of the housing assistance payment or the rent to owner. If payments are not made when due, the owner may charge the HRA a late payment, agreed to in the Contract and in accordance with generally accepted practices in the St. Cloud & Housing Redevelopment Authority's jurisdiction.

11.8 CHANGE OF OWNERSHIP

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

In addition, the HRA requires a written request from the new owner to process a change of ownership. The following document must accompany the written request:

- A. Tax Identification Number or Social Security Number.

New owners will be required to execute IRS form W-9. The HRA may withhold the rent payment until the taxpayer identification number is received.

12.0 INSPECTION POLICIES, HOUSING QUALITY STANDARDS, AND DAMAGE CLAIMS

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

The HRA must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family will be notified of the inspection appointment. If the family cannot be at home for the scheduled inspection appointment, the family must call and reschedule the inspection or make arrangements to enable the Housing Authority to enter the unit and complete the inspection.

If the family misses the scheduled inspection and fails to reschedule the inspection, the HRA will only schedule one more inspection. If the family misses two inspection appointments, the HRA will consider the family to be in violation of a family obligation and thus, will propose the termination of their eligibility to participate in the program following the 'informal hearing' process in place.

12.1 TYPES OF INSPECTIONS

There are six types of inspections the HRA will perform:

- A. Initial Inspection - An inspection that must take place to insure that the unit passes HQS before assistance can begin. No allowances or extensions will be granted for any unit deficiencies to include weather deferred exterior items. The unit must pass the HQS inspection completely.
- B. Regular Inspection - An inspection to determine that the unit continues to meet HQS.
- C. Complaint Inspection - An inspection caused by the Authority receiving a complaint on the unit by anyone.
- D. Special Inspection - An inspection caused by a third party, i.e. HUD, needing to view the unit.
- E. Emergency - An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.
- F. Quality Control Inspection - Supervisory inspections on at least 5% of the total number of units that were under lease during the Housing Authority's previous fiscal year.

12.2 OWNER AND FAMILY RESPONSIBILITY

- A. Owner Responsibility for HQS
 - 1. The owner must maintain the unit in accordance with HQS.
 - 2. If the owner fails to maintain the dwelling unit in accordance with HQS, the HRA will take prompt and vigorous action to enforce the owner obligations. The HRA 's remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract.
 - 3. The HRA will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the HRA and the HRA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30 calendar days (or any HRA approved extension).
 - 4. The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible. Furthermore, the HRA may terminate assistance to a family because of the HQS breach caused by the family.
- B. Family Responsibility for HQS
 - 1. The family is responsible for a breach of the HQS that is caused by any of the following:

- a. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
 - b. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or
 - c. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).
2. If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any HRA approved extension).
 3. If the family has caused a breach of the HQS, the HRA will take prompt and vigorous action to enforce the family obligations. The HRA may terminate assistance for the family in accordance with 24 CFR 982.552.
 4. Tenant Preferences
 - a. During the initial inspection, if the tenant has not moved in, a missing light globe will be listed as a deficiency and will require repair. If the tenant is residing in the unit at the time of Initial Inspection or at Annual Inspection it will be the tenant's preference whether or not they prefer any missing globes be replaced.
 - b. During the initial inspection, if the tenant has not moved in, a missing drain stop will be listed as a deficiency and will require repair. If the tenant is residing in the unit at the time of Initial Inspection or at Annual Inspection it will be the tenant's preference whether or not they prefer any missing drain stops be replaced.

12.3 HOUSING QUALITY STANDARDS (HQS) 24 CFR 982.401

This Section states performance and acceptability criteria for these key aspects of the following housing quality standards:

A. Sanitary Facilities

1. Performance Requirements: The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.
2. Acceptability Criteria
 - a. The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

- b. The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.
- c. The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.
- d. The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

B. Food Preparation and Refuse Disposal

1. Performance Requirements

- a. The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.
- b. There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

2. Acceptability Criteria

- a. The dwelling unit must have an oven, a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. Either the owner or the family may supply the equipment. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.
- b. The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.
- c. The dwelling unit must have space for the storage, preparation, and serving of food.
- d. There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

C. Space and security

1. Performance Requirement: The dwelling unit must provide adequate space and security for the family.

2. Acceptability Criteria

- a. At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

- b. The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.
- c. Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.
- d. The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

D. Thermal Environment

- 1. Performance Requirement: The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.
- 2. Acceptability Criteria
 - a. There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.
 - b. The dwelling unit must not contain non-vented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

E. Illumination and Electricity

- 1. Performance Requirement

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.
- 2. Acceptability Criteria
 - a. There must be at least one window in the living room and in each sleeping room.
 - b. The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area

must also have at least one electrical outlet in proper operating condition.

- c. The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

F. Structure and Materials

1. Performance Requirement: The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.
2. Acceptability Criteria
 - a. Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes (Rule of thumb – if all of the holes combined in one given room are larger than 8 1/2 x 11 sheet of paper, it would be a fail), loose surface materials, severe buckling, missing parts, or other serious damage.
 - b. The roof must be structurally sound and weather tight.
 - c. The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.
 - d. The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.
 - e. Elevators must be working and safe.

G. Interior Air Quality

1. Performance Requirement: The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.
2. Acceptability Criteria
 - a. The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.
 - b. There must be adequate air circulation in the dwelling unit.
 - c. Bathroom areas must have one window that can be opened or other adequate exhaust ventilation.
 - d. Any room used for sleeping must have at least one window. If the window is designed to be opened, the window must work.

H. Water Supply

1. Performance Requirements: The water supply must be free from contamination.
2. Acceptability Criteria: The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

I. Lead-based Paint

1. Definitions

- a. Chewable surface: Protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age; for example, protruding corners, window sills and frames, doors and frames, and other protruding woodwork.
- b. Component: An element of a residential structure identified by type and location, such as a bedroom wall, an exterior window sill, a baseboard in a living room, a kitchen floor, an interior window sill in a bathroom, a porch floor, stair treads in a common stairwell, or an exterior wall.
- c. Defective paint surface: A surface on which the paint is cracking, scaling, chipping, peeling, or loose.
- d. Elevated blood level (EBL): Excessive absorption of lead. Excessive absorption is a confirmed concentration of lead in whole blood of 20 ug/dl (micrograms of lead per deciliter) for a single test or of 15-19 ug/dl in two consecutive tests 3-4 months apart.
- e. HEPA: A high efficiency particle accumulator as used in lead abatement vacuum cleaners.
- f. Lead-based paint: A paint surface, whether or not defective, identified as having a lead content greater than or equal to 1 milligram per centimeter squared (mg/cm^2), or 0.5 % by weight or 5000 parts per million (PPM).

2. Performance Requirements

- a. The purpose of this paragraph of this Section is to implement Section 302 of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4822, by establishing procedures to eliminate as far as practicable the hazards of lead-based paint poisoning for units assisted under this part. This paragraph is issued under 24 CFR 35.24(b)(4) and supersedes, for all housing to which it applies, the requirements of subpart C of 24 CFR part 35.
- b. The requirements of this paragraph of this Section do not apply to 0-bedroom units, units that are certified by a qualified inspector to be free of lead-based paint, or units designated exclusively for the elderly. The requirements of subpart A of 24 CFR part 35 apply to

all units constructed prior to 1978 covered by a HAP contract under part 982.

- c. If a dwelling unit constructed before 1978 is occupied by a family that includes a child under the age of six years, the initial and each periodic inspection (as required under this part), must include a visual inspection for defective paint surfaces. If defective paint surfaces are found, such surfaces must be treated in accordance with paragraph k of this section.
- d. The Housing Authority may exempt from such treatment defective paint surfaces that are found in a report by a qualified lead-based paint inspector not to be lead-based paint, as defined in paragraph 1(f) of this Section. For purposes of this Section, a qualified lead-based paint inspector is a State or local health or housing agency, a lead-based paint inspector certified or regulated by a State or local health or housing agency, or an organization recognized by HUD.
- e. Treatment of defective paint surfaces required under this Section must be completed within 30 calendar days of Housing Authority notification to the owner. When weather conditions prevent treatment of the defective paint conditions on exterior surfaces within the 30-day period, treatment as required by paragraph k of this Section may be delayed for a reasonable time.
- f. The requirements in this paragraph apply to:
 - i. All painted interior surfaces within the unit (including ceilings but excluding furniture);
 - ii. The entrance and hallway providing access to a unit in a multi-unit building; and
 - iii. Exterior surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).
- g. In addition to the requirements of paragraph c of this Section, for a dwelling unit constructed before 1978 that is occupied by a family with a child under the age of six years with an identified EBL condition, the initial and each periodic inspection (as required under this part) must include a test for lead-based paint on chewable surfaces. Testing is not required if previous testing of chewable surfaces is negative for lead-based paint or if the chewable surfaces have already been treated.
- h. Testing must be conducted by a State or local health or housing agency, an inspector certified or regulated by a State or local health

or housing agency, or an organization recognized by HUD. Lead content must be tested by using an X-ray fluorescence analyzer (XRF) or by laboratory analysis of paint samples. Where lead-based paint on chewable surfaces is identified, treatment of the paint surface in accordance with paragraph k of this Section is required, and treatment shall be completed within the time limits in paragraph c of this Section.

i. The requirements in paragraph g of this Section apply to all protruding painted surfaces up to five feet from the floor or ground that are readily accessible to children under six years of age:

i. Within the unit;

ii. The entrance and hallway providing access to a unit in a multi-unit building; and

iii. Exterior surfaces (including walls, stairs, decks, porches, railings, windows and doors, but excluding outbuildings such as garages and sheds).

j. In lieu of the procedures set forth in paragraph g of this Section, the housing authority may, at its discretion, waive the testing requirement and require the owner to treat all interior and exterior chewable surfaces in accordance with the methods set out in paragraph k of this Section.

k. Treatment of defective paint surfaces and chewable surfaces must consist of covering or removal of the paint in accordance with the following requirements:

i. A defective paint surface shall be treated if the total area of defective paint on a component is:

(1) More than 10 square feet on an exterior wall;

(2) More than 2 square feet on an interior or exterior component with a large surface area, excluding exterior walls and including, but not limited to, ceilings, floors, doors, and interior walls;

(3) More than 10% of the total surface area on an interior or exterior component with a small surface area, including, but not limited to, windowsills, baseboards and trim.

ii. Acceptable methods of treatment are the following: removal by wet scraping, wet sanding, chemical stripping on or off site, replacing painted components, scraping with infra-red or coil type heat gun with temperatures below 1100 degrees, HEPA vacuum sanding, HEPA vacuum needle gun, contained hydro blasting or high pressure wash

with HEPA vacuum, and abrasive sandblasting with HEPA vacuum. Surfaces must be covered with durable materials with joint edges sealed and caulked as needed to prevent the escape of lead contaminated dust.

- iii. Prohibited methods of removal are the following: open flame burning or torching, machine sanding or grinding without a HEPA exhaust, uncontained hydro blasting or high pressure wash, and dry scraping except around electrical outlets or except when treating defective paint spots no more than two square feet in any one interior room or space (hallway, pantry, etc.) or totaling no more than twenty square feet on exterior surfaces.
 - iv. During exterior treatment soil and playground equipment must be protected from contamination.
 - v. All treatment procedures must be concluded with a thorough cleaning of all surfaces in the room or area of treatment to remove fine dust particles. Cleanup must be accomplished by wet washing surfaces with a lead solubilizing detergent such as Trisodium phosphate or an equivalent solution.
 - vi. Waste and debris must be disposed of in accordance with all applicable Federal, State, and local laws.
-
- l. The owner must take appropriate action to protect residents and their belongings from hazards associated with treatment procedures. Residents must not enter spaces undergoing treatment until cleanup is completed. Personal belongings that are in work areas must be relocated or otherwise protected from contamination.
 - m. Prior to execution of the HAP contract, the owner must inform the Housing Authority and the family of any knowledge of the presence of lead-based paint on the surfaces of the residential unit.
 - n. The Housing Authority must attempt to obtain annually from local health agencies the names and addresses of children with identified EBLs and must annually match this information with the names and addresses of participants under this part. If a match occurs, the Housing Authority must determine whether local health officials have tested the unit for lead-based paint. If the unit has lead-based paint, the Housing Authority must require the owner to treat the lead-based paint. If the owner does not complete the corrective actions required by this Section, the family must be issued a certificate or voucher to move.
 - o. The Housing Authority must keep a copy of each inspection report for at least three years. If a dwelling unit requires testing, or if the dwelling unit requires treatment of chewable surfaces based on the

testing, the Housing Authority must keep the test results indefinitely and, if applicable, the owner certification and treatment. The records must indicate which chewable surfaces in the dwelling units have been tested and which chewable surfaces were tested or tested and treated in accordance with the standards prescribed in this Section, such chewable surfaces do not have to be tested or treated at any subsequent time.

J. Access

1. Performance Requirements: The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

K. Site and Neighborhood

1. Performance Requirements: The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.
2. Acceptability Criteria: The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

L. Sanitary Condition

1. Performance Requirements: The dwelling unit and its equipment must be in sanitary condition.
2. Acceptability Criteria: The dwelling unit and its equipment must be free of vermin and rodent infestation.

M. Smoke Detectors

1. Performance Requirements
 - a. Except as provided in paragraph b below of this Section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection

Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

- b. For units assisted prior to April 24, 1993, owners who installed battery-operated or hard-wired smoke detectors prior to April 24, 1993, in compliance with HUD's smoke detector requirements, including the regulations published on July 30, 1992, (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (i.e., the owner would not be required to install a smoke detector in a basement not used for living purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).

N. Carbon Monoxide Detectors

- 1. All rental units must have a working carbon monoxide detector per Minnesota State Law.

12.4 EXCEPTIONS TO THE HQS ACCEPTABILITY CRITERIA

The HRA will utilize the acceptability criteria as outlined above with applicable State and local codes. Additionally, the HRA has received HUD approval to require the following additional criteria:

- A. In each room, there will be at least one exterior window that can be opened and that contains a screen.
- B. Owners will be required to scrape peeling paint and repaint all surfaces cited for peeling paint with two coats of non-lead paint. An extension may be granted as a severe weather related item as defined below.
- C. Adequate heat shall be considered to be 68 degrees with all vent/heat covers to be installed correctly.
- D. In units where the tenant must pay for utilities, each unit must have separate metering device(s) for measuring utility consumption.
- E. A 3/4" overflow pipe must be present on the hot water heater safety valves and installed down to within 6 inches of the floor.
- F. If appliance in unit, appliance must be working as intended, i.e. ceiling fan, dishwasher, etc.
- G. Water must not be running constantly, i.e. toilet or faucet.

12.5 TIME FRAMES AND CORRECTIONS OF HQS FAIL ITEMS

- A. Correcting Initial HQS Fail Items

The HRA will schedule a timely inspection of the unit on the date the owner indicates that the unit will be ready for inspection, or as soon as possible thereafter (within 5 working days) upon receipt of a Request for Tenancy Approval. The owner and participant will be notified in writing of the results of the inspection. If the unit fails HQS again, the owner and the participant will be advised to notify the HRA to reschedule a re-inspection when the repairs have been properly completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as failed, depending on the extent of the repairs that are required to be made. No unit will be placed in the program until the unit meets the HQS requirements.

B. HQS Fail Items for Units under Contract

The owner or participant will be given time to correct the failed items cited on the inspection report for a unit already under contract. If the failed items endanger the family's health or safety (using the emergency item list below), the owner or participant will be given 24 hours to correct the violations. For less serious failures, the owner or participant will be given up to 30 days to correct the failed item(s).

If the owner fails to correct the HQS failed items after proper notification has been given, the HRA will abate payment and terminate the contract in accordance with Sections 12.7 and 17.0(B)(3).

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

C. Time Frames for Corrections

1. Emergency repair items must be abated within 24 hours.
2. Repair of refrigerators, range and oven, or a major plumbing fixture supplied by the owner must be abated within 72 hours.
3. Non-emergency items must be completed within 10 days of the initial inspection.
4. For major repairs, the owner will have up to 30 days to complete.

D. Extensions

At the sole discretion of the HRA, extensions of up to 30 days may be granted to permit an owner to complete repairs if the owner has made a good faith effort to initiate repairs. If repairs are not completed within 60 days after the initial inspection date, the HRA will abate the rent and cancel the HAP contract for

owner noncompliance. Appropriate extensions will be granted if a severe weather condition exists for such items as exterior painting and outside concrete work for porches, steps, and sidewalks.

12.6 EMERGENCY FAIL ITEMS

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

- A. No hot and/or cold water
- B. No electricity
- C. Inability to maintain adequate heat
- D. Major plumbing leak
- E. Natural gas leak
- F. Broken lock(s) on first floor doors or windows
- G. Broken windows that unduly allow weather elements into the unit
- H. Electrical outlet smoking or sparking
- I. Exposed electrical wires which could result in shock or fire
- J. Unusable toilet when only one toilet is present in the unit
- K. Security risks such as broken doors or windows that would allow intrusion
- L. Other conditions which pose an immediate threat to health or safety
- M. Smoke Alarm not working
- N. Carbon Monoxide Detector not working

12.7 ABATEMENT

When a unit fails to meet HQS and the owner has been given an opportunity to correct the deficiencies, but has failed to do so within in the required timeframe, the rent for the dwelling unit will be abated.

The HRA must abate HAP payments to owners who do not comply with notifications to correct HQS deficiencies within the specified time period: 24 hours or 30-days depending upon the nature of the deficiency. For valid reasons, the HRA may extend the time period. Placement of abatement must occur by the first of the month following expiration of the notice.

Except in the case of life threatening violations requiring corrections within 24 hours, the owner must receive 30-day written notification of the abatement. The 30-day notice to abate must be included in the original violations notice. If this does not occur, a separate Notice of Abatement which delays the placement of abatement must be sent to the owner.

Following a failure to comply with a notice of deficiency owners are not entitled to HAP payments from the first of the month until the day the unit passes HQS. Examples include:

- The owner receives a notice of violation in May to correct deficiencies by June 20 or abatement of payment will occur on July 1. The owner does not comply on June 20th. Any abatement is placed on July 1 unless the owner complies prior to July 1. The HRA may allow the owner to request a re-inspection of the unit for compliance with HQS before or after the abatement has been placed. If the unit passes re-inspection, the HRA may reinstate HAP payments on the day the owner complies and reverse any notice of abatement or cancellation of HAP contract that may have been issued.
- The owner receives a notice of violation in May to correct deficiencies by June 20, but the notice does not contain language that abatement of payment will occur on July 1. The owner must be given a 30-day notice before the abatement can occur. Abatement may not be placed before August 1.
- In May, the owner receives a notice of violation requesting a correction of deficiencies by June 20 and the notice contains language that failure to comply will result in abatement of payment July 1. The owner does not comply and abatement is placed on July 1. The owner requests a re-inspection following abatement and passes the re-inspection on July 10. HAP payments may be reinstated on July 10, resulting in a nine-day sanction. The HRA may not withhold HAP payments to recover the time the unit was out of compliance with HQS from June 20 through June 30.

For tenant caused HQS deficiencies, the owner will not be held accountable and the rent will not be abated. The tenant is held to the same standard and timeframes for correction of deficiencies as owners. If repairs are not completed by the deadline, the HRA will send a notice of termination to both the tenant and the owner. The tenant will be given the opportunity to request an informal hearing.

13.0 Owner Claims for Damages, Unpaid Rent, and Vacancy Loss

With the Housing Choice Voucher Program, there are no provisions in place for a property owner/manager's claim to the program for damage, unpaid rent and/or vacancy loss costs incurred by the program participant, their tenant.

Upon termination of the Housing Assistance Payment Contract, the property owner/manager will be invited to provide notice to the HRA of any damages, unpaid rent and/or vacancy losses incurred as a result of the participant/tenant's move from the assisted unit. If alerted to debt prior to the participant's lease-up with assistance in a new unit, the participant will be notified that they must either pay the debt in full or enter into a payment agreement with the property owner/manager with whom the debt exists before program assistance can be started in a new unit. If the HRA is alerted to debt after the participant leases up in a new unit with assistance, the participant will be notified that they must contact the property

owner/manager with whom the debt exists and arrange for the settlement of that debt accordingly. This notification will further explain that, should the participant have need of the issuance of a new voucher for any reason, they will need to prove that this debt has been reconciled to the satisfaction of the property owner/manager involved before a new voucher will be issued to them.

If at the time the participant/tenant asks that assistance begin for a new unit the HRA determines that a genuine dispute remains (or litigation is pending in the courts) between the Property Owner/Manager and the Participant/Tenant as to whether there is money owing for damages, unpaid rent and/or vacancy loss, HRA may continue the voucher payments for a reasonable period of time in order to allow the dispute to be resolved (or litigation to be completed).

The informal hearing process is available to all participants on issues related to property owner/manager's claim to damages and unpaid rent.

14.0 RECERTIFICATION

14.0.1 CHANGES IN LEASE OR RENT

If the participant and owner agree to any changes in the lease, all changes must be in writing, and the owner must immediately give the Housing Authority a copy of the changes. The lease, including any changes, must be in accordance with this Administrative Plan.

Owners must notify the Housing Authority of any changes in the amount of the rent at least sixty (60) calendar days before the changes go into effect. Any such changes are subject to the Housing Authority determining them to be reasonable. Rent increase will be limited to once every twelve months.

Assistance shall not be continued unless the Housing Authority has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner if any of the following changes are made:

- A. Requirements governing participant or owner responsibilities for utilities or appliances;
- B. In the lease terms reducing the length of the lease;
- C. If the participant moves to a new unit, even if the unit is in the same building or complex.

The approval of the Housing Authority is not required for changes other than those specified in A, B, or C above.

However, owners wishing to change ownership must receive the written permission of the Housing Authority prior to assigning a HAP contract. The owner shall inform the Housing Authority of the impending change and give the Authority **30** calendar days to review the prospective owner to make sure they are appropriate. The new owner shall meet the same criteria as the existing owner. Approval shall not be unreasonably withheld.

14.1 ANNUAL REEXAMINATION

At least annually the HRA will conduct a reexamination of family income and circumstances to include a criminal background report. The participant will be given the opportunity to dispute information received. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family subsidy is correct based on the family unit size.

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

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The family will sign the HUD consent form and other consent forms that later will be mailed to the sources that will verify the family circumstances.

Upon receipt of verification, the HRA will determine the family's annual income and will calculate their family share.

14.1.1 Effective Date of Rent Changes for Annual Reexaminations

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

If the rent determination is delayed due to a reason beyond the control of the family, then any rent increase will be effective the first of the month after the expiration of the 30 day notice. If the new rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date.

If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

14.1.2 Missed Appointments

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

14.2 INTERIM REEXAMINATIONS

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

Families are required to report the following changes in writing within ten (10) days of the event to the HRA between regular reexaminations. These changes will trigger an interim reexamination.

- A. An increase in the household income of \$200.00 or more per month.
- B. A member has been added to the family through birth or adoption or court-awarded custody. Custody of a child must be least 51 percent in order to be listed as a household member.
- C. A household member is leaving or has left the family unit.
- D. Family break-up (Death, Divorce, Separation)

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

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

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

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

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

In order to add a household member other than through birth or adoption (including a live-in aide) the family must request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security Number if they have one, and must verify their citizenship/eligible immigrant status (Their housing will not be delayed due to delays in verifying eligible immigrant status other than delays caused by the family). The new family member will go through the screening process similar to the process for applicants. The HRA will determine the eligibility of the individual before allowing them to be added to the lease. If the individual is found to be ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening criteria, the HRA will grant approval to add their name to the lease. At the same time, the family's annual income will be recalculated taking into account the income and circumstances of the new family member. The effective date of the new rent will be in accordance with paragraph below 14.2.2. If the new household member is a minor, the head of household must have the Delegation of Powers by Parent completed or a court order awarding custody to that household member.

Families are not required to, but may at any time, request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. Upon such request, the HRA will take timely action to process the interim reexamination and recalculate the family share.

All adults in the household must be available to sign the new interim certification forms.

- E. Transfer of a Housing Choice Voucher – The St. Cloud HRA will only allow a transfer of a voucher to another household member if there is a major life changing event, i.e. death, divorce, legal separation.

14.3 EARNED INCOME DISREGARD (EID)

Earned Income Disregard (EID) – The earned income disregard is designed to promote self-sufficiency for certain families with disabilities who meet the definition of a “qualified family”. This provision does not change the eligibility criteria for EID or how the EID benefit is calculated. “Qualified family” being defined as a family whose annual income increases as a result of new employment or increased earnings of a family member .

1. Once a family member is determined to be eligible for the EID, the 24-calendar month period starts;
2. If the family member discontinues the employment that initially qualified the family for the EID, the 24-calendar month period continues;

3. During the 24-calendar month period, EID benefits are recalculated based on changes to family member income and employment :
4. During the first 12-calendar month period, the St. Cloud HRA must exclude all increased income resulting from the qualifying employment of the family member. After the first 12-calendar month period, the St. Cloud HRA must exclude from annual income of the family at least 50 percent of any increase in income of such family member as a result of employment over the family member's income before the qualifying event (i.e. the family member's baseline income);
5. The EID is limited to a lifetime 24-month period for the qualifying family member;
6. At the end of the 24 months, the EID ends regardless of how many months were "used".

14.2.1 Special Reexaminations

If a family's income is too unstable to project for 12 months, including families that temporarily have no income or have a temporary decrease in income or receive a utility reimbursement payment, the HRA may schedule special reexaminations every 90 days until the income stabilizes and an annual income can be determined.

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

Unless there is a delay in reexamination processing caused by the family, any rent increase will be effective the first of the month after the expiration of the 30 day notice. If the family causes a delay, then the rent increase will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase and the assessment of a back charge if applicable).

If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first of the month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change in a timely manner, the change will be effective the first of the month after the rent amount is determined. For example, the St. Cloud HRA requested information which the family did not provide by the date requested.

If the new rent is a reduction is based upon a voluntary decrease in hours and income, and there is a previous increase in rent that has not been applied, (i.e. the rent based on the increase in income has not been paid at least one time) the change will be effective the first of the second month after the rent amount is determined.

15.0 TERMINATION OF ASSISTANCE TO THE FAMILY BY THE HRA

The Housing Authority may at any time terminate program assistance for a participant, because of any of the actions or inaction by the household (24 CFR 982.552 and 982.553):

- A. If the family violates any family obligations under the program.
- B. If a family member fails to sign and submit consent forms.
- C. If the family fails to keep scheduled appointments.
- D. If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or knowingly permitted an ineligible non-citizen (other than any ineligible non-citizens listed on the lease) to permanently reside in their Housing Choice Voucher Program unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Housing Choice Voucher Program for a period of 24 months from the date of termination.
- E. If any member of the family has ever been evicted from public housing.
- F. If the Housing Authority has ever terminated assistance under the Certificate or Voucher Program for any member of the family.
- G. If any member of the family commits a drug-related criminal activity, or violent criminal activity. Other criminal activity including prostitution, and any sex related offenses including but not limited to exposing, and stalking. Termination of assistance can occur based on the preponderance of evidence that a household member has engaged in the activity, whether the household member has been arrested or convicted for such activity (24 CFR 982.553 (c)).
- H. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
- I. If the family currently owes rent or other amounts to the Housing Authority or to another Housing Authority in connection with Housing Choice Voucher Program or Public Housing assistance under the 1937 Act.
- J. If 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 amounts owed by the family under the lease.
- K. If the family breaches an agreement with the Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an owner by a Housing Authority. (The Housing Authority, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a Housing Authority or amounts paid to an owner by a Housing Authority. The Housing Authority will prescribe the terms of the agreement.)
- L. If a family participating in the Family Self-Sufficiency Program fails to comply, without good cause, with their contract of participation.
- M. If the family has engaged in or threatened abusive or violent behavior toward Housing Authority personnel.

- N. If any household member is subject to a lifetime registration requirement under a state sex offender registration program.
- O. If a household member's illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by the HRA to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- P. Have a household member who is a fugitive felon, parole violator or person fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees.
- Q. The Housing Authority must terminate program assistance for a family evicted by a court ordered judgment from housing assisted under the program.
- R. The HAP Contract terminates automatically 180 calendar days after the last housing assistance payment to the owner per CFR 982.455.
 - a. Termination of assistance does not automatically affect the family's right to remain in occupancy without Section 8 Assistance.
 - b. In cases in which no subsidy is being paid because of the family's TTP covers the gross rent and the HAP contract has not been terminated, the Housing Authority must restart HAP payments if:
 1. less than 180 days has elapsed since the date of the last HAP payment and
 2. the family notifies the Housing Authority that its income has been reduced to the point that the family's TTP no longer covers the gross rent.
 - c. If more than 180 days has elapsed since the last HAP payment, the family must reapply to receive further assistance. The family would be placed at the bottom of the waiting list.

15.1 EIV's Deceased Tenant Report

If an owner received HAP for any month in which the owner was ineligible to receive HAP because of a deceased tenant, the HRA will immediately notify the owner in writing of the deceased Head of Household and monies must be repaid. The HRA will suspend HAP payments for any month following the month in which the death occurred. If the property is occupied by a live-in-aide to the deceased person, the assistance will end and the landlord and aide must decide on the future of the aide's tenancy.

16.0 COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS – see Appendix A.

17.0 TERMINATION OF THE LEASE AND CONTRACT

The term of the lease and the term of the HAP contract are the same. They begin on the same date and they end on the same date. The lease may be terminated by the owner, by the tenant, or by the mutual agreement of both. The owner may only terminate the

contract by terminating the lease. The HAP contract may be terminated by the HRA. Under some circumstances the contract automatically terminates.

A. Termination of the lease

1. By the family

The family may terminate the lease without cause upon proper notice to the owner and to the HRA after the first term of the lease. The length of the notice that is required is stated in the lease (generally 30 days).

2. By the owner.

a. The owner may terminate the lease during its term on the following grounds:

- i. Serious or repeated violations of the terms or conditions of the lease;
- ii. Violation of Federal, State, or local law that impose obligations on the tenant in connection with the occupancy or use of the unit and its premises;
- iii. Criminal activity by the household, a guest, or another person under the control of the household that threatens the health, safety, or right to peaceful enjoyment of the premises by other persons residing in the immediate vicinity of the premises;
- iv. Any drug-related criminal activity on or near the premises;
- v. Other good cause. Other good cause may include, but is not limited to:

- (1) Failure by the family to accept the offer of a new lease;
- (2) Family history of disturbances of neighbors or destruction of property, or living or housekeeping habits resulting in damage to the property or unit;
- (3) The owner's desire to utilize the unit for personal or family use or for a purpose other than use as a residential rental unit;
- (4) A business or economic reason such as sale of the property, renovation of the unit, desire to rent at a higher rental amount.

b. During the first term of the lease the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.

- c. The owner may only evict the tenant by instituting court action. The owner must give the HRA a copy of any owner eviction notice to the tenant at the same time that the owner gives the notice to the tenant.
- d. The owner may terminate the contract at the end of the initial lease term or any extension of the lease term without cause by providing notice to the family that the lease term will not be renewed.

3. Termination of the Lease by mutual agreement

The family and the owner may at any time mutually agree to terminate the lease.

B. Termination of the Contract

1. Automatic termination of the Contract

- a. If the HRA terminates assistance to the family, the contract terminates automatically.
- b. If the family moves out of the unit, the contract terminates automatically.
- c. The contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.

2. Termination of the contract by the owner

The owner may only terminate tenancy in accordance with lease and State and local law.

3. Termination of the HAP contract by the HRA

The Housing Authority may terminate the HAP contract because:

- a. The Housing Authority has terminated assistance to the family.
- b. The unit does not meet HQS space standards because of an increase in family size or change in family composition.
- c. The unit is larger than appropriate for the family size or composition under the regular Certificate Program.
- d. When the family breaks up and the HRA determines that the family members who move from the unit will continue to receive the assistance.
- e. The HRA determines that there is insufficient funding in their contract with HUD to support continued assistance for families in the program.
- f. The owner has breached the contract in any of the following ways:

- i. If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.
 - ii. If the owner has violated any obligation under any other housing assistance payments contract under Housing Choice Voucher Program.
 - iii. If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program.
 - iv. For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement;
 - v. If the owner has engaged in drug trafficking.
- g. The submission of false information.
4. Final HAP payment to owner

The HAP payment stops when the lease terminates. The owner may keep the payment for the month in which the family moves out. If the owner has begun eviction proceedings and the family continues to occupy the unit, the Housing Authority will continue to make payments until the owner obtains a judgment or the family moves out.

18.0 CHARGES AGAINST THE HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE FEE RESERVE

Occasionally, it is necessary for the HRA to spend money of its Housing Choice Voucher Program Administrative Fee Reserve to meet unseen or extraordinary expenditures or for its other housing related purposes consistent with Federal and State law.

The HRA Board of Commissioners authorizes the Executive Director to expend without prior Board approval amounts within the agency budget.

19.0 INTELLECTUAL PROPERTY RIGHTS

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

20.0 HRA OWNED HOUSING

Units owned by the HRA and not receiving subsidy under any other program are eligible housing units for Housing Choice Voucher holders. In order to comply with federal regulation, the HRA will do the following:

- A. The HRA will make available through the briefing process both orally and in writing the availability of HRA owned units (notification will also include other properties owned/managed by the private sector available to Housing Choice Voucher holders).
- B. The HRA will obtain the services of an independent entity to perform the following HRA functions:
 - 1. Determine rent reasonableness for the unit. The independent entity will communicate the rent reasonableness determination to the family and the HRA.
 - 2. To assist the family in negotiating the rent.
 - 3. To inspect the unit for compliance with HQS.
- C. The HRA will gain HUD approval for the independent agency/agencies utilized to perform the above functions
- D. The HRA will compensate the independent agency/agencies from our ongoing administrative fee income.
- E. The HRA or the independent agency/agencies will not charge the family any fee or charge for the services provided by the independent agency.

21.0 QUALITY CONTROL OF SECTION 8 PROGRAM

In order to maintain the appropriate quality standards for the Section 8 program, the Housing Authority will regularly (at least annually) review files and records to determine if the work documented in the files or records conforms to program requirements. This shall be accomplished by a supervisor or another qualified person other than the one originally responsible for the work or someone subordinate to that person. The number of files and/or records checked shall be at least equal to the number specified in the Section 8 Management Assessment Program (SEMAP) for our size housing authority.

Among the areas that shall have quality control reviews are the following:

- A. The proper people were selected from the waiting list and their selection criteria were actually met by the applicants.

- B. The determination of rent reasonableness.
- C. Participants are paying the appropriate rent and their income and expenses were properly verified both upon admission and re-certification.
- D. HQS inspections were properly made.
- E. HQS deficiencies were properly followed up on and appropriate repairs were made in a timely manner.

If significant errors are found during a quality control review, then appropriate training shall be immediately conducted for the person or persons who made the errors and that person shall correct all of his or her errors.

22. FAMILY DEBTS TO THE HOUSING AUTHORITY

When an action or inaction of a participating family results in the overpayment of housing assistance, the Housing Authority will hold the family liable to return any overpayments to the Housing Authority. When the family refuses to repay monies owed to the Housing Authority, the Housing Authority may utilize other available collection alternatives.

When families owe money to the Housing Authority, the Housing Authority will use a variety of collections tools to recover debts, including but not limited to:

- Requests for lump sum payments
- Repayment agreements
- Report of debt to the HUD information system
- Revenue Recapture

Any amount owed to the Housing Authority by a family must be repaid by the family. If the family is unable to repay the debt within 30 days, the Housing Authority may offer to enter into a repayment agreement in accordance with the policies below. If the family refuses to repay the debt, does not enter into a repayment agreement or breaches a repayment agreement, the Housing Authority will terminate assistance.

The term “repayment agreement” refers to a formal written document signed by the family and provided to the Housing Authority in which the family acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods. There are some circumstances in which the Housing Authority shall not enter into a repayment agreement. They are:

- If the family already has a repayment agreement in place.
- If the Housing Authority determines that the family committed program fraud.

- If the Housing Authority determines that the debt amount is larger than can be paid back by the family within 12 months.

General Repayment Agreement Guidelines for Families

1. Down Payment – Before executing a repayment agreement with a family, the Housing Authority will require a down payment of at least 10 percent of the total amount owned.
2. Any repayment agreement between the Housing Authority and a family must be signed and dated by the Executive Director or his/her designee and by the head of household and spouse/co-head (if applicable).
3. All payments are due must be made on a monthly basis no later than the 25th of the month.
4. If a payment is 30 days late the repayment agreement will be considered in default and the Housing Authority will terminate assistance. To avoid termination of assistance the family must pay the balance of the repayment agreement to the Housing Authority prior to the effective date of the termination.
5. No family move will be approved until the debt is paid in full unless the move is the result of the following causes and the repayment agreement is current:
 - a. family size exceeds the HQS maximum occupancy standards
 - b. the HAP contract is terminated due to owner non-compliance or opt-out
 - c. a natural disaster or other health and safety reasons.
6. The Housing Authority will enter into only one repayment agreement at a time with the family. If a family incurs new debts, the Housing Authority will demand immediate full payment of the new debt. If the family fails to pay the debt, the Housing Authority will terminate assistance to the family.

23. RESERVED.

24. RESERVED.

25.0 SUPPORT FOR OUR ARMED FORCES

A major and important component of our armed forces are the part-time military personnel that serve in various Reserve and National Guard units. The Housing Authority is very supportive of these men and women. An unfortunate fact of service in both the Reserves and National Guard is that from time to time their personnel are activated to full-time status and asked to serve our country in a variety of ways and circumstances. Whenever the Federal Government activates Reserve and/or National Guard personnel, and a member of the family has been called to active duty, the Housing Authority wants to support these brave warriors in the following manners:

- A. If a family finds it necessary for another adult to temporarily move into a unit solely to serve as a temporary guardian for children residing in the unit, the

income received by the temporary guardian will not be counted in determining family income. The presence of the temporary guardian will need to be approved by the landlord.

- B. Although typically a criminal background check is required before anyone can participate in the housing choice voucher program, this requirement will be waived for a temporary guardian. Instead, the background check will occur after the person moves into the assisted unit. If the results of the check dictate that the person is ineligible for the program, the family shall be given a reasonable time to find a replacement temporary guardian.
- C. Recognizing that activation in the Reserves or National Guard can be very disruptive to a family's income, the Housing Authority will expeditiously re-evaluate a resident's portion of the rent if requested to do so.
- D. A unit cannot be held by a family that is not residing in it as their primary residence for more than 180 consecutive calendar days because of a specific federal regulation. If all members of a military family are temporarily absent from the unit because a member of the family has been called to active duty, the family can retain control of the unit by paying the required rent and returning to the unit within 30 calendar days of the conclusion of the active duty service. If the service extends beyond 180 calendar days, the Housing Authority will seek a waiver of the 180 calendar day limit from HUD.

26.0 ANTI-FRAUD POLICY

The Housing Authority is fully committed to combating fraud in its Section 8 housing program. It defines fraud as a single act or pattern of actions that include false statements, the omission of information, or the concealment of a substantive fact made with the intention of deceiving or misleading the Housing Authority. It results in the inappropriate expenditure of public funds and/or a violation of Section 8 requirements.

Although there are numerous different types of fraud that may be committed, the two most common are the failure to fully report all sources of income and the failure to accurately report who is residing in the residence. The Housing Authority shall aggressively attempt to prevent all cases of fraud.

When a fraudulent action is discovered, the Housing Authority shall take action. It shall do one or more of the following things depending on circumstances and what it determines appropriate:

- A. Require the resident to immediately repay the amount in question;
- B. Require the resident to enter into a satisfactory repayment agreement;

- C. Terminate the resident’s rental assistance;
- D. Refer the case for criminal prosecution; or
- E. Take such other action as the Housing Authority deems appropriate.

27.0 PROJECT-BASING HOUSING VOUCHERS

INTRODUCTION

The Project Based Assistance (PBA) program is a HUD Section 8 housing subsidy program that ties rental assistance directly to a specific unit or project. Eligible families receive rental assistance by agreeing to live in the designated newly constructed, existing, or rehabilitated units, and continue to receive assistance as long as they reside in the specific project based dwelling unit.

Funding for PBA comes from a housing agency’s existing Section 8 funding allocation. Program regulations permit a housing agency to project-base not to exceed twenty (20) percent of the funding available for the agency’s housing voucher program.

This Chapter outlines the HRA's (St. Cloud Housing and Redevelopment Authority) policies for the conversion of Section 8 tenant-based assistance to the PBA program consistent with the PHA Plan and deconcentration goals.

A. PROGRAM GOALS

- To increase the supply and availability of long-term affordable housing for very low-income households in the City of St. Cloud.
- To disperse concentrations of assisted families.
- To promote partnerships between public, semi-public, or non-profit agencies and organizations to provide affordable housing in proximity to community amenities and services.

B. GENERAL CRITERIA FOR PARTICIPATION

- Qualifying developments may be new construction, existing units, or in conjunction with a rehabilitation project and meet HUD Housing Quality Standards (HQS).
- Qualifying developments must be located in the City of St. Cloud.
- No more than 25% of the dwelling units in any one building may be project-based with the following exemptions: single family properties and dwelling units specifically for elderly families or families receiving supportive services.

- Current residents of proposed PBA units must have incomes of less than 50% of the area median income as defined by HUD to remain in a PBA assisted unit.
- New residents or vacancies in PBA assisted units must be filled by eligible families from the PHA's Section 8 Waiting List. The PHA will make selected applicant names available to the owner as soon as possible, no later than thirty (30) days of receiving the owner's notification of vacancy. Owners may establish tenant screening and selection procedures provided they are reasonably applied and consistent with the PBA program criteria and are enforced uniformly.
- Owners of qualifying developments will be required to enter into a *Housing Assistance Payments Contract* with the St. Cloud HRA for a period of not less than one year and not more than ten years.
- Qualifying developments must not have initiated construction or rehabilitation activities before executing an *Agreement to Enter into a Housing Assistance Payments Contract*.
- Financing for construction or rehabilitation of qualifying developments is the responsibility of the owner. The PBA program is a rental assistance program only. However, participation in the PBA program may increase the development's opportunity for funding from the Minnesota Housing Finance Agency (MHFA) and other funding sources.
- Qualifying developments must propose Gross Rents that are determined reasonable by the PHA and approved by the Department of HUD.

C. SELECTION OF PROPERTIES TO PROJECT BASE

The St. Cloud HRA will request Project-Based Voucher Proposals. The St. Cloud HRA will not limit proposals to a single site or impose restrictions that explicitly or practically preclude other submissions of proposals for Project-Based Voucher housing on different sites. In the Project-Based Voucher Program, assistance is attached to the structure and may be in the form of existing housing, newly constructed housing or rehabilitated housing. The Request for Proposals may include all forms of housing or individual forms of housing.

Once a decision to project-base units has been made but before the process begins, the St. Cloud HRA will electronically submit required information to HUD (PIH Notice 2015-05) or successor requirements at least 14 calendar days before issuing a Request For Proposals.

D. PROGRAM OPERATION

Housing Assistance Payments (HAP) Contract

The owner must enter into a HAP contract with the PHA. The initial HAP contract term may not be less than one year or more than ten years and is subject to the future availability of sufficient

funding under the PHA's Annual Contributions Contract (ACC) with HUD. Within these limits the PHA has the sole discretion to determine the HAP contract term. The PHA has the sole discretion to renew or to not renew expiring HAP contracts. The effective date of the HAP contract may not be earlier than the date of the PHA inspection and acceptance of the unit. After commencement of the HAP contract term the PHA must make monthly housing assistance payments for each unit occupied under lease by a family.

Responsibilities of the PHA

The PHA must:

- Inspect the project before, during and upon completion of construction or rehabilitation; and
- Ensure that the amount of assistance committed to the development is within the amounts available under the ACC.

Responsibilities of the Owner

Performing all of the owner responsibilities under the Agreement and the HAP contract.

- Providing the PHA with a copy of any notice of termination of tenancy.
- Offering vacant, accessible units to a family with one or more members with a disability requiring the accessibility features of the vacant unit and already occupying an assisted unit not having such features.
- Providing not less than one-year written notice to tenants and HUD of expiration or termination of the HAP contract.

Family Participation

A family becomes a participant when the family and owner execute a lease for a unit with project-based assistance.

The PHA will use the tenant-based waiting list to select participants for admission to the PBA program.

Participants must be selected from the PHA waiting list in accordance with the admission policies section of the PHA Administrative Plan.

Before a PHA elects to assign assistance to a specific unit the PHA must determine whether an eligible family occupies the unit

Income Limits for Admission

An eligible applicant must be a “family” whose annual income does not exceed the applicable income limit set by HUD.

Income Targeting

In a fiscal year, not less than 75% of the selections for Section 8 assistance both voucher and PBA units may be families whose income does not exceed the extremely low-income limits. The PHA or owner may not select a family for admission out of order on the waiting list for purposes of selecting a relatively higher income family for admission. See the chapter “Selection from the Waiting List” of the Section 8 Administrative Plan for more detailed information on preferences and eligibility.

Filling Vacant Units

When the owner notifies the PHA of vacancies in units to which PBA assistance is available, the PHA will refer to the owner one or more families of the appropriate size on its waiting list. A family that refuses the offer of a unit with PBA assistance keeps its place on the PHA’s waiting list.

To the extent possible, the owner must rent all vacant PBA assisted units to eligible families referred by the PHA from its waiting list subject to appropriate tenant screening. The PHA must determine eligibility for participation in accordance with HUD requirements. If the PHA does not refer a sufficient number of interested applicants on the PHA waiting list to the owner within 30 days of the owner’s notification to the PHA of a vacancy, the owner may advertise for or solicit applications from other eligible very-low income families. The owner must refer these families to the PHA to determine eligibility.

The owner is responsible for the screening and selection of tenants. The owner must adopt written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families, maintaining a decent living environment for all tenants, and enforcing appropriate lease provisions.

The PHA may, at its sole discretion, continue to provide assistance to the owner for a unit that becomes vacant after the assisted occupancy by a family for up to a maximum of 60 days. Payment will only be made if the vacancy is not the fault of the owner and owner takes every reasonable action to minimize the likelihood and extent of vacancies.

Briefing of Families

When the family is selected to occupy a project-based unit, the PHA must provide the family with information concerning the tenant rent, any applicable utility allowance and a copy of the HUD-prescribed lead-based paint brochure.

The family must also attend a briefing session and be provided with a full explanation of the following:

- Family and owner responsibilities under the lease and HAP contract
- Information on Federal, State and Local equal opportunity laws and ordinances.
- The fact that the subsidy is tied to the unit and if the family moves from the unit they may be offered tenant-based assistance.
- The family's options under the program, if the family is required to move because of a change in family size or composition.
- Information on the PHA's procedures for conducting informal hearings for participants, including a description of the circumstances in which the PHA is required to provide the opportunity for an informal hearing under 24 CFR 983.208 and of the procedures for requesting a hearing.

Rent and Housing Assistance Payments

For the following components of the PBA program the same rules of the Section 8 tenant-based program apply. Refer to the appropriate chapter(s) of the Section 8 Administrative Plan for detail.

- Determination of the FMR/exception rent limit
- Determination of family income and composition
- Regular and interim examinations
- Utility allowance schedule

Housing Assistance Payment

The monthly housing assistance payment equals the gross rent minus the higher of:

- The total tenant payment
- The minimum rent of \$50.00

Amount of Rent Payable by Family to Owner

The amount of rent payable by the family to the owner must be the Tenant Rent. The Tenant Rent is calculated by subtracting the amount of the housing assistance payment from the contract rent.

Minimum Rent

The PHA has established a minimum rent of \$50 for families living in all PHA Section 8 assisted units.

Lease Requirements

The lease between the family and the owner must be in accordance with HUD regulations and requirements and include all provisions required by HUD and not include any provisions prohibited by HUD.

When offering an accessible unit to an applicant not having disabilities, the owner must:

- Require the applicant to agree to move to a non-accessible unit when one becomes available and an eligible disabled applicant or tenant is in need of such unit; and
- Incorporate the agreement into the lease.

Term of Lease

The term of a lease, including a new lease or a lease amendment, executed by the owner and the family must be for at least one year. The term may be less than one year if the remaining term of the HAP contract is less than one year.

The family must notify the PHA and the owner in accordance with the lease before the family moves out of the unit. The lease may contain a provision permitting the family to terminate the lease on not more than 60 days advance written notice to the owner.

- In the case of a lease term being more than one year, the lease must contain a provision permitting the family to terminate the lease on not more than 60 day notice after the first year of term.

The owner may offer the family a new lease for a term beginning at any time after completion of the first year of the lease.

The owner must give the family a written notice of the offer at least sixty (60) days before the proposed commencement date of the new lease term. The offer must specify a reasonable time for acceptance by the family. Failure by the family to accept the offer of a new lease in accordance with this paragraph shall be “other good cause” for termination of tenancy.

Overcrowded and Under-occupied Units

If the PHA determines that a contract unit is not decent, safe and sanitary because of an increase in family size that causes the unit to be overcrowded based on the PHA’s subsidy standards:

- The PHA must offer the family a suitable alternative unit if one is available; and
- The family shall be required to move.

If the PHA does not have a suitable unit available within the family’s ability to pay, the PHA must offer Section 8 assistance to the family if it has sufficient funding.

The PHA must otherwise assist the family in locating other standard housing in the PHA's jurisdiction and within the family's ability to pay. The PHA must require the family to move to such a unit as soon as possible.

The family must not be forced to move and the PHA may not terminate the HAP contract for reasons stated in this paragraph, unless the family rejects, without good reason the offer of a unit that the PHA judges to be acceptable.

Informal Review or Hearing

For the PBA program the applicable sections of informal reviews for applicants and informal hearings for participants are the same as for the Section 8 tenant-based programs.

Continued Assistance for a Family when the HAP Contract is Terminated

If the HAP contract for the unit expires or if the PHA terminates the HAP contract for the unit, the PHA must issue tenant-based assistance to the assisted family in occupancy of the unit, unless the PHA does not have sufficient funding for continued assistance for the family.

The PHA does not have to issue the family tenant-based assistance if the family is being denied or terminated because of the family's actions or failure to act in accordance with their lease or the HAP Contract.

If the total number of PBA assisted units are not occupied by eligible assisted families, then the available unobligated funds under the ACC that were committed for support of the PBA units must be used for the PHA's tenant-based assistance program.

Limits of Initial Rent to Owner

The initial rent to owner for a unit may not exceed the reasonable rent as determined by the PHA. The initial rent established by the HAP Contract must not exceed 110% of the established Fair Market Rent or any HUD-approved exception payment standard. The payment standard is determined by the PHA in accordance with the rules for the Section 8 tenant-based assistance program. See the chapter "Owner Rents, Rent Reasonableness, and Payment Standards" of the Section 8 Administrative Plan.

Approval of Initial Rent

The PHA approves the initial rent to owners for PBA units that are not HUD-insured or PHA-owned. To determine that the initial rent to the owner is reasonable, the PHA will apply the same procedure as Voucher assisted units. See the Chapter "Owner Rents, Rent Reasonableness, and Payment Standards".

If a unit has been allocated a low-income housing tax credit under the Internal Revenue Code of 1986 at 26 U.S.C. 42, but is not located in a "qualified census tract" under that law, the rent to owner may be established at any level that does not exceed the rent charged for comparable units in the same building that receive the tax credit but do not have additional rental assistance. The

PHA must certify that the initial rent to owner for a unit does not exceed the reasonable rent. For PHA-owned PBA units or units financed with a HUD insured multifamily mortgage, the initial rents must be approved by HUD.

Annual Adjustment of Rent to Owner

During the term of the HAP contract, the PHA must adjust the rent to owner in accordance with the following requirements:

- The owner must request any proposed rent increase by written notice to the PHA at least 60 days before the proposed increase is to be effective.
- The request must be submitted in the form and manner prescribed by the PHA. The PHA may not increase the rent unless:
 - The owner requested the increase by the 60-day deadline;
 - The HRA determines the proposed rent to be reasonable and under the maximum rent limit; and
 - During the contract, the owner complied with all requirements of the HAP contract, including the Housing Quality Standards (HQS) for all contract units.

AMOUNT OF ANNUAL ADJUSTMENT

At least annually during the HAP contract term, the PHA must re-determine that the current rent to owner does not exceed a reasonable rent. The adjusted rent to owner equals the lesser of:

- The pre-adjustment rent to owner multiplied by the applicable Section 8 annual adjustment factor published by HUD.
- The reasonable rent as determined by the PHA.
- The rent requested by the owner.

The rent requested by the owner for certain tax credits would also be considered if:

- (1) A contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986 (see 26 U.S.C. 42);
- (2) The contract unit is not located in a qualified census tract;
- (3) In the same building, there are comparable tax credit units of the same unit bedroom size as the contract unit and the comparable tax credit units do not have any form of rental assistance other than the tax credit;
- (4) The tax credit rent exceeds the applicable fair market rental (or any exception payment standard);

- (5) In the case of a contract unit described in (1) above , 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.

For PHA-owned PBA units, the PHA must request HUD approval of the annual adjustment. Except as necessary to correct errors in establishing the initial rent in accordance with HUD requirements, the adjusted rent to owner must not be less than the initial rent.

In determining annual adjustment of rent to the owner, the adjusted rent to the owner must not exceed a reasonable rent as determined by a PHA “comparability study”. The comparability study must include a completed comparability analysis for each unit type on Form HUD-92273. The comparability study may be prepared by PHA staff or by another qualified appraiser.

If the owner requests a rent increase by the 120-day deadline, the PHA must submit a comparability study to the owner at least 60 days before the HAP contract anniversary. If the PHA does not submit the comparability study to the owner by this deadline, an increase of rent by application of the annual adjustment factor is not subject to the reasonable rent limit. The applicable Section 8 annual adjustment factor (AAF) is the published annual adjustment factor in effect sixty (60) days before the HAP contract anniversary.

By accepting each monthly housing assistance payment from the PHA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

Special Adjustment of Rent to Owner

The PHA may only make a special adjustment of the rent to the owner if HUD has approved the adjustment.

A special adjustment may only be approved to reflect increases in the actual and necessary costs of owning and maintaining the contract units because of substantial and general increases in:

- Real property taxes
- Special governmental assessments
- Utility rates
- Costs of utilities not covered by regulated rates

A special adjustment may only be approved if the owner demonstrates that cost increases are not adequately compensated by application of the published AAF and the rent to the owner is not sufficient for proper operation of the housing.

The adjusted rent may not exceed the reasonable rent as determined by the PHA.

The owner must submit financial information, as requested by the PHA, that supports the request for a special adjustment.

The PHA may withdraw or limit the term of any special adjustment.

If a special adjustment is approved to cover temporary or one-time costs, the special adjustment is only a temporary or one-time increase of rent to the owner.

Reasonable Rent

The PHA may not enter into an agreement to enter into a Housing Assistance Payments contract until the PHA determines that the initial rent to owner under the HAP contract is a reasonable rent.

During the term of a HAP contract, the rent to owner may not exceed the reasonable rent as determined by the PHA.

The PHA must determine whether the rent to owner is a reasonable rent in comparison to rent for other comparable unassisted units.

To make this determination, the PHA must consider:

- The location, quality, size, unit type, and age of the contract unit.
- Any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

Correction of Rent

At any time during the life of a HAP contract, the PHA may revise the rent to owner to correct any errors in establishing or adjusting rent to owner in accordance with HUD requirements. The PHA may recover any excess payment from the owner.

Maintenance, Operation and Inspections

The owner must provide all the services, maintenance and utilities as agreed under the HAP contract.

- Housing assistance payments are subject to abatement or other applicable remedies if the owner fails to meet these obligations.

The PHA must inspect each dwelling unit under HAP contract at least annually and as necessary to assure that the owner is meeting the obligations to maintain the unit in decent, safe and sanitary condition and to provide the agreed upon utilities and other services.

Refer to the chapter “Housing Quality Standards and Inspections” of the Section 8 Administrative Plan for details.

Other Subsidies

The PHA may reduce the initial rent to owner because of other governmental subsidies including tax credit or tax exemption, grants or other subsidized financing.

For provisions prohibiting PBA to units in certain types of subsidized housing, see CFR 983.7(c).

28. Cost Savings

As Congress and HUD change the way they fund the Housing Choice Voucher Program, the St. Cloud HRA hereby establishes the following options that will be considered by the Board of Commissioners depending on the particular circumstances at that time. They are not listed in any particular order.

None of these options will be implemented without Board of Commissioner approval and the opportunity for affected participants to address the Board of Commissioners. Additional options may be considered at that time if the options meets with the Department of HUD's approval. Any actions taken under this section of the Administrative Plan will sunset if and when the reason for the action is no longer in effect. Rescissions will also require Board of Commissioner approval. Notwithstanding anything in this Section, the adoption of policies noted herein to deny portability or moves within the jurisdiction or revision of payment or subsidy standards, reasonable accommodation requests for a person's disability must still be evaluated in accordance with HUD's Section 504 implementing regulations at 24 CFR part 8. Such requests will be granted when an accommodation is necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling, unless it would impose an undue financial and administrative burden on the St. Cloud HRA or fundamentally alter the nature of our operations. The St. Cloud HRA will assist the maximum number of eligible people in the Housing Choice Voucher Program while maintaining the fiscal integrity of the program.

The options are as follows:

- A. The Housing Choice Voucher Payment Standards may be reviewed in light of the funding situation. If the payment standards are reduced, the lower payment standard shall go into effect immediately for new admissions, participants moving from one unit to another, and people staying in place who require a new HAP contract because they are signing a new lease. In extraordinary circumstances, the St. Cloud HRA may be forced to ask for a waiver so that even those participants staying in place without a new lease shall have their payment standard decreased immediately instead of the normal second regular reexamination after the lowering of the payment standard.
- B. An initial PHA may request that a receiving PHA absorb portable families for which the initial PHA is being billed. This may include the receiving PHA retroactively absorbing families for which the initial PHA was already billed and made payments. In these cases, the receiving PHA reimburses the initial PHA for payments made back to the effective date of the absorption. Both the receiving PHA and initial PHA's must agree to this arrangement.

- C. If financial circumstances dictate, the St. Cloud HRA may deny discretionary portability moves to a higher cost area inside or outside its jurisdiction for its Housing Choice Voucher participants if the St. Cloud HRA has insufficient funds to pay the higher subsidy amounts and the receiving housing authority declines to absorb the family. While the Board of Commissioners must establish this policy after an examination of the fiscal affairs of the organization, individual denials of portability shall only occur after the St. Cloud HRA has determined that the receiving housing authority will not absorb the family. The denial of absorption shall be documented in that person's file.

This can only occur if the portability action would cause the St. Cloud HRA to be unable to avoid terminating the vouchers of current voucher participants during the affected calendar year. If a family is denied its portability request, no subsequent families will be admitted to the program until the St. Cloud HRA has determined that sufficient funding exists to approve the move and has notified the family that the family may now exercise its move to the higher cost area.

The HRA will notify the HUD Field Office in writing that it is denying a portability move. The notification will include:

1. A financial analysis that demonstrates insufficient funds are projected to meet the current calendar year projection of expenses. The projection must not include vouchers that have been issued but are not yet under contract.
 2. A statement certifying the HRA has ceased issuing vouchers and will not admit families from their waiting list while the limitation on moves to a higher cost unit is in place.
 3. If a family is denied a portability request due to lack of funding, it shall be so notified in writing when the denial is made. The letter shall include the period during which the family's request to move shall remain active, and how they will be notified when funds become available.
- D. Housing Choice Vouchers issued to families on the waiting list that have not resulted in HAP contracts may be cancelled.
- E. The St. Cloud HRA may be forced to not reissue vouchers surrendered by current participants immediately upon their return to the Housing Authority.
- F, The absolutely last step the St. Cloud HRA will take to resolve its Housing Choice Voucher financial problems will be to terminate the vouchers of families already receiving assistance after notifying the HUD Field Office and its Financial Analyst at the Financial Management Center. If this becomes necessary, the Board of Commissioners will decide between the following options for termination of assistance.
1. Random Lottery
 2. Last on, first off

3. First on, first off
4. Families before elderly or disabled

If it becomes necessary for the St. Cloud HRA to terminate Housing Choice Vouchers, the families terminated shall be reinstated onto the program as soon as fiscally and practically feasible in order of termination.

29. VASH PROGRAM (Veterans Affairs Supportive Housing)

The HUD-VASH Program combines HUD HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs (VA) at its medical centers and in the community. The 2008 Appropriation Act required HUD to make funding available for public housing authorities (PHA's) to partner with eligible VA Medical Centers or other entities as designated by the Secretary of the Department of Veterans Affairs. Approximately 35 rental vouchers would be awarded for each professional, full-time HUD-VASH case manager at the local VAMC. A PHA that participates in the HUD-VASH program must partner with their VASH VAMC.

Special Rules for the HUD-VASH Program

HUD-VASH vouchers are administered in accordance with the HCV tenant-based rental assistance regulations set forth at 24 CFR part 982, with the following waivers.

Record Keeping: PHA's are required to maintain records that allow for the easy identification of families receiving HUD-VASH vouchers. PHA's must identify these families in the Public and Indian Housing Information Center (PIC). This record keeping will help ensure that HUD-VASH vouchers will remain available for homeless veterans upon turnover.

Eligible Families: HUD-VASH eligible families are homeless veterans. The VAMC will refer HUD-VASH eligible families to the PHA for issuance of vouchers. Written documentation of these referrals must be maintained in the tenant file at the PHA. The PHA will not have the authority to maintain a waiting list or apply local preferences.

Screening of Families: The VAMC will screen all families in accordance with its screening criteria. PHA's will not have the authority to screen potentially eligible families or deny assistance for any grounds permitted under 24 CFR 982.552 and 982.553. The only exception will be that PHA's will still be required to prohibit admission if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

Income Eligibility: The PHA must determine income eligibility for HUD-VASH families in accordance with 24 CFR 982.201.

Initial Term of HCV: HUD-VASH vouchers must have an initial search term of at least 120 days. Any extensions after the minimum 120-day initial search term will remain under the policies of the PHA's administrative plan.

Initial Lease Term: The HUD-VASH voucher holders, initial leases may be less than 12 months.

Ineligible Housing: HUD-VASH families will be permitted to live on the grounds of a VAMC in units owned by the VA.

Mobility and Portability: An eligible family issued a HUD-VASH voucher must receive case management services provided by the VAMC. Special mobility and portability procedures must be established.

Admission: Recognizing the challenges that a HUD VASH participant may face, the admission date into the VASH program, and the initial HAP Contract may have a start date of the 1st or 15th of the month with the housing assistance prorated.

Case Management Requirements: The VAMC responsibilities include:

- 1) the screening of homeless veterans to determine whether they meet the HUD-VASH program participation criteria established by the VA national office
- 2) providing appropriate treatment and supportive services to potential HUD-VASH program participants, if needed, prior to PHA issuance of rental vouchers,
- 3) providing housing search assistance to HUD-VASH participants with rental vouchers,
- 4) identifying the social service and medical needs of HUD-VASH participants and providing, or ensuring the provision of, regular ongoing case management, outpatient health services, hospitalization, and other supportive services as needed throughout this initiative,
- 5) maintaining records and providing information for evaluation purposes, as required by HUD and the VA.

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.

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.

There must be a separate housing assistance payment contract and lease executed for each assisted family residing in a shared housing unit. 24 CFR 982.616

Termination from HUD-VASH: A HUD-VASH participant family must receive and participate in case management. The family's HCV assistance must be terminated for failure to participate, without good cause, in case management as verified by the VAMC. If determined that a participant family no longer requires case management is not grounds for termination of assistance.

Administrative Fee: The PHA will earn an administrative fee per voucher at same rate as other vouchers.

30. SHELTER PLUS CARE PROGRAM (S+C)

The Shelter Plus Care Program (S+C) is authorized by Title IV of the Steward B. McKinney Homeless Assistance Act. The S+C program is designed to link rental assistance to supportive services for hard-to-serve homeless persons with disabilities (primarily those who are seriously mentally ill, have chronic problems with alcohol and/or drugs, or have acquired immunodeficiency syndrome and related diseases) and their families. The program provides grants to be used for rental assistance for permanent housing for homeless persons with disabilities. Rental assistance must be matched in the aggregate by supportive services appropriate to the needs of the population to be served. The objectives of the program are to integrate an individual into the community, to assist participants to secure or increase their income and/or employment, to provide appropriate support services and to enhance the individual's ability to reach self-sufficiency. The participants will be responsible to adhere to the guidelines of both the referring agency and the St. Cloud HRA.

General Information –

The St. Cloud HRA is the grantee for the Shelter Plus Care Program (S+C) for both the tenant based and sponsor based rental assistance program for homeless individuals and families with disabilities. Unit selection for occupancy will be based upon participant choice and HUD Housing Quality Standards (HQS). Participant rent will be calculated individually based on the HUD standards and allowable deductions. The St. Cloud HRA expects to disburse all rental and administrative funds provided in the one-year renewal grants with the 12-month period, and within 60-70 months for the five-year grants.

Applicants for the S+C program are in urgent need of housing. At the same time, the documentation requirements of the program are stringent and violations can jeopardize funding. Therefore, all incomplete applications forwarded to the St. Cloud HRA by the referring agency will be returned, unprocessed. An incomplete application is defined as any application submitted to the St. Cloud HRA without the following:

- Verification of homelessness and required documentation
- Verification of disability signed by a medical professional

The “shelter” aspect of the program is the monthly rental subsidy paid directly to the landlord. The “care” component of the program means accessible to and availability of long-term community-based support, i.e. case management, medical care, etc.

Application Process -

The referring agency submits a completed S+C program application package to the Housing Choice Voucher Coordinator at the St. Cloud HRA. A complete application package consists of:

- Completed application, verification of homelessness, verification of disability

The application packages are available from the Housing Choice Voucher Coordinator.

The Housing Coordinator will review the application package to ensure all documentation and eligibility criteria are appropriately met. Each eligible application will be dated. When a vacancy in the S+C program occurs, the Housing Choice Coordinator will contact the referring agency for them to forward applicants that are on the top of their waiting list. The Housing Choice Voucher Coordinator will then pass the application package to the Occupancy Specialist who will meet with the applicant to verify any income and assets.

Admission to Program –

The St. Cloud HRA will use the date the voucher is issued to the new participant as the date enrolled in the Shelter Plus Care program. The issuance of the voucher allows the new participant to search for housing.

Rental Amount –

Each participant must pay rent in accordance with Section 3 (a) (1) of the U.S. Housing Act of 1937, which is the highest of:

- Thirty percent of the family's gross monthly income minus adjustments (adjustment factors include the number of people in the family, age of family members, medical expenses, and child care expenses); or
- Ten percent of the family's gross monthly income.

The St. Cloud HRA will obtain verification of income, assets, and allowances. All income verification must be current (within 120 days of the start in the program).

If funding is available, the St. Cloud HRA can help with the security deposit.

Housing Quality Standards –

Housing units selected by the participant for move-in under the S+C program must meet the applicable Housing Quality Standards before any rental assistance will be provided. The St. Cloud HRA will have each unit physically inspected by their contracted inspector to assure that the unit is acceptable under the program. The HQS inspections are conducted before the initial move-in and annually thereafter.

For additional guidance please review the Administrative Plan for the Housing Choice Voucher Program. Additional areas would include Rent Reasonableness, Fair Market Rents, failure of an HQS inspection, Annual and Interim Recertification's, Terminations, and the Grievance Procedures.

31. Privacy

The St. Cloud HRA is strongly committed to protecting the privacy of people dealing with the agency to the greatest degree practical. There are numerous federal privacy laws, regulations, notices, and other requirements that the Housing Authority follows to the greatest degree practical. Details about these requirements are set forth in PIH Notice 2015-06 and any ensuing

publications. The St. Cloud HRA will educate all of its employees who have access to personally identifiable information (PII) and/or Sensitive Personally Identifiable Information about these requirements and expect them to appropriately manage and safeguard the information. Employees will also be trained on the proper disposal of said information.

GLOSSARY

1937 Housing Act: The United States Housing Act of 1937 [42 U.S.C. 1437 et seq.)

Absorption: In portability, the point at which a receiving housing authority starts making assistance payments with funding under its consolidated ACC, rather than billing the initial housing authority. [24 CFR 982.4]

Adjusted Annual Income: The amount of household income, after deductions for specified allowances, on which tenant rent is based.

Administrative fee: Fee paid by HUD to the housing authority for the administration of the program.

Administrative Plan: The plan that describes housing authority policies for the administration of the tenant-based programs.

Admission: The point when the family becomes a participant in the program. In a tenant-based program, the date used for this purpose is the effective date of the first HAP Contract for a family (first day of initial lease term).

Adult: A household member who is 18 years or older or who is the head of the household, or spouse, or co-head. An emancipated minor is also considered an adult. An adult must have the legal capacity to enter a lease under State and local law. In the anti-drug portions of this policy, it also refers to a minor who has been convicted of a crime as an adult under any Federal, State or tribal law.

Allowances: Amounts deducted from the household's annual income in determining adjusted annual income (the income amount used in the rent calculation). Allowances are given for elderly families, dependents, medical expenses for elderly families, disability expenses, and child care expenses for children under 13 years of age. Other allowance can be given at the discretion of the housing authority.

Amortization Payment: In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.

Annual Contributions Contract (ACC): The written contract between HUD and a housing authority under which HUD agrees to provide funding for a program under the 1937 Act, and the housing authority agrees to comply with HUD requirements for the program.

Annual Income: All amounts, monetary or not, that:

- a. Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
- b. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- c. Are not specifically excluded from Annual Income.
- d. Annual Income also includes amounts derived (during the 12-month period) from assets to which any member of the family has access.

Applicant (applicant family): A family that has applied for admission to a program but is not yet a participant in the program.

Assets: See net family assets.

Asset Income: Income received from assets held by household members. If assets total more than \$5,000, income from the assets is "imputed" and the greater of actual asset income and imputed asset income is counted in annual income.

Assisted lease (lease): A written agreement between an owner and a family for the leasing of a dwelling unit to the family. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the housing authority.

Business Days: Days the Housing Authority is open for business.

Certificate: A document formerly issued by a Housing Authority to a family selected for admission to the Certificate Program. The certificate describes the program and the procedures for Housing Authority approval of a unit selected by the family. The certificate also states the obligations of the family under the program.

Certification: The examination of a household's income, expenses, and family composition to determine the household's eligibility for program participation and to calculate the household's rent for the following 12 months.

Child: For purposes of citizenship regulations, a member of the family other than the family head or spouse who is under 18 years of age.

Child care expenses: Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

Citizen: A citizen or national of the United States.

Common space: In shared housing: Space available for use by the assisted family and other occupants of the unit.

Congregate housing: Housing for elderly or persons with disabilities that meets the HQS for congregate housing.

Consent form: Any consent form approved by HUD to be signed by assistance applicants and participants for the purpose of obtaining income information from employers and SWICAs, return information from the Social Security Administration, and return information for unearned income from the Internal Revenue Service. The consent forms may authorize the collection of other information from assistance applicants or participant to determine eligibility or level of benefits.

Contiguous MSA: In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial housing authority is located.

Continuously assisted: An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the Voucher Program.

Cooperative: Housing owned by a non-profit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing.

Currently engaging in: With respect to behavior such as illegal use of a drug, other drug-related criminal activity or other criminal activity, currently engaging in means that the individual has engaged in the behavior recently enough to justify a reasonable belief that the individual's behavior is current.

Dating Violence: Violence committed by a person: (A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.

Decent, safe, and sanitary: Housing is decent, safe, and sanitary if it satisfies the applicable housing quality standards.

Department: The Department of Housing and Urban Development.

Dependent: A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. The family head or spouse must provide verification that they have custody at least 51% of the time.

Disability assistance expenses: Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled family: A family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

Disabled person: See "person with disabilities."

Displaced family: A family in which each member, or whose sole member, is a person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Displaced person: A person displaced by governmental action (such as urban renewal), or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Domestic Violence: Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim share a child in common, by a person who is cohabitated with or has cohabitated with the victim as a spouse, by an 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 persons acts under the domestic or family violence laws of the jurisdiction.

Domicile: The legal residence of the household head or spouse as determined in accordance with State and local law.

Drug: Means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

Drug related criminal activity: Illegal use or personal use of a controlled substance, and the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use, of a controlled substance.

Drug trafficking: The illegal manufacture, sale, or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance.

Economic self-sufficiency program: Any program designed to encourage, assist, train or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household

management, apprenticeship, and any program necessary to ready a participant for work or other work activities.

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

Elderly person: A person who is at least 62 years of age.

Evidence of citizenship or eligible status: The documents that must be submitted to evidence citizenship or eligible immigration status.

Exception rent: An amount that exceeds the published fair market rent.

Extremely low-income families: Those families whose incomes do not exceed 30% of the median income for the area, or the federal poverty level as determined by the Secretary with adjustments for smaller and larger families.

Fair Housing Act: Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3601 et seq.).

Fair market rent (FMR): The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs are published periodically in the Federal Register.

Family includes but is not limited to:

- a. A family with or without children (the temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size);
- b. An elderly family;
- c. A near-elderly family;
- d. A disabled family;
- e. A displaced family;
- f. The remaining member of a tenant family; and
- g. A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

Family members: include all household members except live-in aides, foster children and foster adults. All family members permanently reside in the unit, though they may be temporarily absent. All family members are listed on the HUD-50058.

Family Obligation: Includes supplying required information deemed necessary by HUD and/or the HRA, responsibility for any breach of HQS caused by family, permitting HQS inspections,

complying with the lease, submitting notices to the HRA and owner before moving out of the unit or terminating the lease, supplying the HRA with any eviction notice received from the owner, using the assisted unit as the family's only residence and providing notification of any changes in household composition, may not sublet or assign the lease, may not be absent in violation of the HRA policy on absences from the unit, must provide HRA with requested information on the purposes of family absences, must not own or have any interest in the unit except ownership in a cooperative, must not be receiving any other form of tenant-based or duplicative assistance, must not engage in drug-related criminal or violent criminal activity, and must not commit fraud, bribery or any other corrupt or criminal act in connection with the program. Family obligation also includes unsettled debts (i.e. unpaid rents, property damage and assistance overpayments) with their current landlord or prior landlord when involving a move.

Family Self-Sufficiency program (FSS program): The program established by a housing authority to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

Family share: The portion of rent and utilities paid by the family.

Family unit size: The appropriate number of bedrooms for a family as determined by the housing authority under the housing authority's subsidy standards.

50058 Form: The HUD form that Housing Authorities are required to complete and electronically submit to HUD for each assisted household in public housing to record information used in the certification and re-certification process, and, at the option of the housing authority, for interim reexaminations. Housing Authorities must retain at a minimum the last three years of the form 50058, and supporting documentation, during the term of each assisted lease, and for a period of at least three years from the end of participation date. Electronic retention of form HUD 50058 and HUD 50058-FSS and supporting documentation fulfills the record retention requirement. The 50058 must be submitted to HUD no later than 60 calendar days from the effective date of actions recorded in Line 2b.

FMR/exception rent limit: The Housing Choice Voucher Program existing housing fair market rent published by HUD headquarters, or any exception rent. For a tenancy in the Voucher Program, the housing authority may adopt a payment standard up to the FMR/exception rent limit.

Foster Adult or Child: An adult, child, or children that are in the legal guardianship of a state, county, or private adoption or foster care agency, cared for by foster parents in their own homes, short-term or long-term foster care arrangement with the custodial agency.

Full-time student: A person who is attending school or vocational training on a full-time basis as defined by the institution.

Gift: See recurring gift.

Gross rent: The sum of the rent to the owner plus any utility allowance.

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).

Guest: Means a person temporarily staying in the unit with the consent of a resident or other member of the household who has express or implied authority to so consent on behalf of the resident.

Head of household: The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

Household members: include all individuals who reside or will reside in the unit and who are listed on the lease, including live-in aides, foster children and foster adults.

Housing Assistance Payment (HAP): The monthly assistance by a housing authority, which includes (1) a payment to the owner for rent to the owner under the family's lease, and (2) an additional payment to the family if the total assistance payment exceeds the rent to owner.

Housing quality standards (HQS): The HUD minimum quality standards for housing assisted under the Housing Choice Voucher Program.

Housing voucher: A document issued by a housing authority to a family selected for admission to the Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Housing voucher holder: A family that has an unexpired housing voucher.

Immediate Family Member: A spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or any other person living in the household of that person and related to that person by blood or marriage.

Imputed income: For households with net family assets of more than \$5,000, the amount calculated by multiplying net family assets by a HUD-specified percentage. If imputed income is more than actual income from assets, the imputed amount is used in determining annual income.

Income category: Designates a family's income range. There are three categories: low income, very low income and extremely low-income.

Incremental income: The increased portion of income between the total amount of welfare and earnings of a family member prior to enrollment in a training program and welfare and earnings of the family member after enrollment in the training program. All other amounts, increases and decreases, are treated in the usual manner in determining annual income.

Initial Housing Authority: In portability, both: (1) a housing authority that originally selected a family that later decides to move out of the jurisdiction of the selecting housing authority; and (2) a housing authority that absorbed a family that later decides to move out of the jurisdiction of the absorbing housing authority.

Initial payment standard: The payment standard at the beginning of the HAP contract term.

Initial rent to owner: The rent to owner at the beginning of the initial lease term.

Interim (examination): A reexamination of a household's income, expenses, and household status conducted between the annual recertification when a change in a household's circumstances warrant such a reexamination.

Jurisdiction: The area in which the housing authority has authority under State and local law to administer the program.

Law enforcement agency: The National Crime Information Center (NCIC), police departments and other law enforcement agencies that hold criminal conviction records.

Lease: A written agreement between an owner and tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the housing authority.

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

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

Low-income families: Those families whose incomes do not exceed 80% of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families. *[1937Act)*

Manufactured home: A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.

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.

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. Medical expenses are further defined under Publication 502 from the Internal Revenue Service.

Mixed family: A family whose members include those with citizenship or eligible immigration status and those without citizenship or eligible immigration status.

Moderate rehabilitation: Rehabilitation involving a minimum expenditure of \$1000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to:

- a. upgrade to decent, safe and sanitary condition to comply with the Housing Quality Standards or other standards approved by HUD, from a condition below these standards (improvements being of a modest nature and other than routine maintenance; or
- b. repair or replace major building systems or components in danger of failure.

Monthly adjusted income: One twelfth of adjusted income.

Monthly income: One twelfth of annual income.

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

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

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

Net family assets:

- a. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.
- b. In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income.
- c. In determining net family assets, housing authorities or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received thereof. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

Non-Citizen: A person who is neither a citizen nor national of the United States.

Notice Of Funding Availability (NOFA): For budget authority that HUD distributes by competitive process, the Federal Register document that invites applications for funding. This document explains how to apply for assistance, and the criteria for awarding the funding.

Occupancy standards: The standards that the housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

Other person under the tenant's control: For the purposes of the definition of covered person it means the person, although not staying as a guest (as defined in this section) in the unit, is, or was at the time of the activity in question, on the premises (as premises is defined in this section) because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant's control.

Owner: Any person or entity, including a cooperative, having the legal right to lease or sublease existing housing.

Participant (participant family): A family that has been admitted to the housing authority's program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the housing authority for the family (first day of initial lease).

Payment standard: In a voucher tenancy, the maximum monthly assistance payment for a family (before deducting the total tenant payment by family contribution). For a voucher tenancy, the housing authority sets a payment standard in the range from 90% to 110% of the current FMR.

Permanently absent: A person or persons not actually residing in the unit who once lived there and does not intend to return. One becomes permanently absent when one vacates the unit.

Person with disabilities: A person who:

- a. Has a disability as defined in Section 223 of the Social Security Act,

"Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, or

In the case of an individual who attained the age of 55 and is blind and unable by reason of such blindness to engage in substantial, gainful activity requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time."

- b. Is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment that:
 - (1) is expected to be of long-continued and indefinite duration,
 - (2) substantially impedes his or her ability to live independently, and
 - (3) is of such a nature that such ability could be improved by more suitable housing conditions, or
- c. Has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act.

"Severe chronic disability that:

- (1) is attributable to a mental or physical impairment or combination of mental and physical impairments;
- (2) is manifested before the person attains age 22;
- (3) is likely to continue indefinitely;
- (4) results in substantial functional limitation in three or more of the following areas of major life activity: (1) self care, (2) receptive and responsive language, (3) learning, (4) mobility, (e) self-direction, (6) capacity for independent living, and (7) economic self-sufficiency; and
- (5) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated."

This definition does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

No individual shall be considered to be a person with disabilities for purposes of eligibility solely based on any drug or alcohol dependence.

Personally Identifiable Information (PII): Information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

Portability: Renting a dwelling unit with Housing Choice Voucher Program tenant-based assistance outside the jurisdiction of the initial housing authority.

Premises: The building or complex in which the dwelling unit is located, including common areas and grounds. For purposes of the anti-drug provisions of this policy it means the building or complex or development in which the public or assisted housing dwelling unit is located, including common areas and grounds.

Private space: In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.

Preservation: This program encourages owners of eligible multifamily housing projects to preserve low-income housing affordability and availability while reducing the long-term cost of providing rental assistance. The program offers several approaches to restructuring the debt of properties developed with project-based Housing Choice Voucher Program assistance whose HAP contracts are about to expire.

Preponderance of evidence: Superiority in weight of an evidence that is more convincing (even if minimally) than the evidence presented by the other party.

Project-Based Assistance Program: A Section 8 program administered by a Housing Authority pursuant to 24 CFR part 983, as amended by HUD in the Federal Register, Vol. 66, No. 10 on January 16, 2001 *Revisions to PHA Project-Based Assistance Program; Initial Guidance*.

Proration of assistance: The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who are eligible for assistance.

Public Housing Agency: A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing.

Reasonable rent: A rent to owner that is not more than charged: (a) for comparable units in the private unassisted market; and (b) for a comparable unassisted unit in the premises.

Receiving Housing Authority: In portability, a housing authority that receives a family selected for participation in the tenant-based program of another housing authority. The receiving housing authority issues a certificate or voucher, and provides program assistance to the family.

Re-certification or Reexamination: The process of securing documentation of total family income used to determine the rent the Family will pay if no interim changes are reported by the Family.

Recurring Gift: A gift or gifts, defined as something given gratuitously and without consideration, from person(s) or entity(ies) outside the household to household member(s), with a cumulative value of at least \$2400 received over a rolling 24 month period.

Remaining member of a tenant family: A member of the family listed on the lease who continues to live in an assisted household after all other family members have left.

Rent to owner: The monthly rent payable to the owner under the lease. Rent to owner includes payment for any services, maintenance, and utilities to be provided by the owner in accordance with the lease.

Sensitive Personally Identifiable Information: PII that when lost, compromised or disclosed without authorization could substantially harm an individual. Examples of sensitive PII include social security or driver's license numbers, medical records, and financial account numbers such as credit or debit card numbers.

Set-up charges: In a manufactured home space rental, charges payable by the family for assembly, skirting and anchoring the manufactured home.

Shared housing: A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family.

Shelter allowance: That portion of a welfare benefit (e.g., TANF) that the welfare agency designates to be used for rent and utilities.

Single person: Someone living alone or intending to live alone who does not qualify as an elderly person, a person with disabilities, a displaced person, or the remaining member of a tenant family.

Single room occupancy housing (SRO): A unit for occupancy by a single eligible individual capable of independent living that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities.

Special admission: Admission of an applicant that is not on the housing authority waiting list, or without considering the applicant's waiting list position.

Special housing types: Special housing types include: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

Sporadic Income: Income that is occurring occasionally, singly, or in irregular intervals of time.

Stalking: To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with 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 (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person.

State Wage Information Collection Agency (SWICA): The State agency receiving quarterly wage reports from employers in the State, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

Statement of family responsibility: An agreement in the form prescribed by HUD, between the housing authority and a Family to be assisted under the Moderate Rehabilitation Program, stating the obligations and responsibilities of the family.

Subsidy standards: Standards established by a housing authority to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

Suspension: Stopping the clock on the term of a family's certificate or voucher, for such period as determined by the housing authority, from the time when the family submits a request for housing authority approval to lease a unit, until the time when the housing authority approves or denies the request. Also referred to as tolling.

Temporarily absent: A person or persons not actually residing in a unit for a period of time while still maintaining control of the unit. If the absence exceeds Thirty (30) calendar days, the Housing Authority must agree to the absence.

Tenant: The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

Tenant rent: The amount payable monthly by the family as rent to the owner minus any utility allowance.

Third-party (verification): Oral or written confirmation of a household's income, expenses, or household composition provided by a source outside the household, such as an employer, doctor, school official, etc.

Tolling: see suspension.

Total tenant payment (TTP):

(1) Total tenant payment is the amount calculated under Section 3(a)(1) of the 1937 Act. which is the higher of :

30% of the family's monthly adjusted income;

10% of the family's monthly income;

Minimum rent; or

if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.

If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under Section 3(a)(1) shall be the amount resulting from one application of the percentage.

Training Program: A program designed for training in specific skills that may or may not be paid.

Tuition: The amount of tuition and required fees covering a full academic year most frequently charged to students. 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. Verification of tuition and fees can be obtained from the student's bill or annual statement, by contacting the school.

Utility allowance: The Housing Authority's estimate of the average monthly utilities needed for the household. If all utilities are included in the rent there is no utility allowance. This amount will vary by unit size and type of utilities.

Utility hook-up charge: In a manufactured home space rental, costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

Utility reimbursement: The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment for the family occupying the unit.

VAWA: Violence against women and Department of Justice Reauthorization Act of 2005 (Pub. L. 109-162, approved August 28, 2006), as amended by the U.S. Housing Act of 1937 (42 U.S.C. 1437d and 42 U.S. 1437f)

Verification:

- a. The process of obtaining statements from individuals who can attest to the accuracy of the amounts of income, expenses, or household member status (e.g., employers, public assistance agency staff, and doctors).
- b. The five methods of verification are:
 1. Up-front verification
 2. Third-party written verification
 3. Third-party oral verification
 4. Review of documents
 5. Certification/self-declaration

Very low-income families: Low-income families whose incomes do not exceed 50% of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families. *[1937 Act]*

Violent criminal activity: Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

Voucher: A document issued by a housing authority to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family and states the obligations of the family under the program.

Voucher holder: A family holding a voucher with unexpired search time.

Waiting list admission: An admission from the housing authority waiting list. *[24 CFR 982.4]*

Welfare assistance: Welfare or other payments to families or individuals, based on need, that are made under programs funded by Federal, State or local governments. *[24 CFR 5.603(d)]*

Welfare rent: In "as-paid" welfare programs, the amount of the welfare benefit designated for shelter and utilities.

ACRONYMS

ACC	Annual Contributions Contract
CACC	Consolidated Annual Contributions Contract
CFR	Code of Federal Regulations
FMR	Fair Market Rent
FSS	Family Self Sufficiency (program)
HA	Housing Authority
HAP	Housing Assistance Payment
HCDA	Housing and Community Development Act
HQS	Housing Quality Standards
HUD	Department of Housing and Urban Development
INS	(U.S.) Immigration and Naturalization Service
NAHA	(Cranston-Gonzalez) National Affordable Housing Act
NOFA	Notice of Funding Availability
OMB	(U.S.) Office of Management and Budget
PBC	Project-Based Certificate (program)
QHWRA	Quality Housing and Work Responsibility Act of 1998
PHA	Public Housing Agency
TTP	Total Tenant Payment

APPENDIX A
ADMINISTRATIVE PLAN- GRIEVANCE PROCEDURES

COMPLAINTS, INFORMAL REVIEWS FOR APPLICANTS, INFORMAL HEARINGS FOR PARTICIPANTS

DEFINITIONS

Applicant means an individual or family that has applied for admission to a program but is not yet a participant in the program.

Complainant means any applicant or participant of the housing choice voucher program presents a grievance to the Housing Authority main office in accord with the informal hearing procedure.

Grievance means any dispute which an applicant or participant has with respect to authority action, or failure to act, in accordance with Authority regulations.

Hearing Officer shall mean a person selected to hear grievances and render a decision with respect thereto.

Participant means an individual or family that has been admitted to the housing authority's program and is currently assisted in the program. The individual/family becomes a participant on the effective date of the first HAP contract executed by the housing authority for the family (first day of the initial lease).

COMPLAINTS

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

INFORMAL REVIEW FOR THE APPLICANT

A. Informal Review for the Applicant

The HRA will give an applicant for participation in the Housing Choice Voucher Program prompt notice of a decision denying assistance to the applicant. The notice will contain a brief statement of the reasons for the HRA decision. The notice will state that the applicant may request an informal review within 10 business days of the denial and will describe how to obtain the informal review.

B. When an Informal Review is Not Required

The HRA will not provide the applicant an opportunity for an informal review for any of the following reasons:

1. A determination of the family unit size under the HRA subsidy standards.
2. An HRA determination not to approve an extension or suspension of a certificate or voucher term.
3. An HRA determination not to grant approval to lease a unit under the program or to approve a proposed lease.
4. An HRA determination that a unit selected by the applicant is not in compliance with HQS.
5. An HRA determination that the unit is not in accordance with HQS because of family size or composition.
6. General policy issues or class grievances.
7. Discretionary administrative determinations by the HRA.

C. Informal Review Process

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

1. The review will be conducted by any person or persons designated by the HRA other than the person who made or approved the decision under review or a subordinate of this person.
2. The applicant will be given an opportunity to present written or oral objections to the HRA decision under review.
3. The HRA will notify the applicant of the HRA decision after the informal review within 14 calendar days. The notification will include a brief statement of the reasons for the final decision.

D. Considering Circumstances

If the Housing Authority seeks to deny assistance because of prior non-prescribed use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that the Housing Authority provides notice to the family of the Housing Authority determination to deny assistance. In determining whether to deny assistance for these reasons the HRA will consider evidence of whether the household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the non-prescribed use of a controlled substance or abuse of alcohol;
2. Has otherwise been rehabilitated successfully and is no longer engaging in the non-prescribed use of a controlled substance or abuse of alcohol; or
3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the non-prescribed use of a controlled substance or abuse of alcohol.

E. Informal Review Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The applicant family may request that the HRA provide for an informal review after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the applicant family within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

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

INFORMAL HEARINGS FOR PARTICIPANTS

A. When a Hearing is Required

1. The HRA will give a participant family an opportunity for an informal hearing to consider whether the following HRA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and HRA policies:
 - a. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
 - b. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the HRA utility allowance schedule.
 - c. A determination of the family unit size under the HRA subsidy standards.
 - d. A determination that a family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under the HRA subsidy standards, or the HRA determination to deny the family's request for an exception from the standards.
 - e. A determination to terminate assistance for a participant family because of the family's action or failure to act.
 - f. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under the HRA policy and HUD rules.
2. In cases described in paragraphs 16.3(A) (1) (d), (e), and (f), of this Section, the HRA will give the opportunity for an informal hearing before the HRA terminates housing assistance payments for the family under an outstanding HAP contract.

B. When a Hearing is Not Required

The HRA will not provide a participant family an opportunity for an informal hearing for any of the following reasons:

1. Discretionary administrative determinations by the HRA.
2. General policy issues or class grievances.
3. Establishment of the HRA schedule of utility allowances for families in the program.
4. An HRA determination not to approve an extension or suspension of a certificate or voucher term.
5. An HRA determination not to approve a unit or lease.
6. An HRA determination that an assisted unit is not in compliance with HQS. (However, the HRA will provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family.)
7. An HRA determination that the unit is not in accordance with HQS because of the family size.
8. A determination by the HRA to exercise or not exercise any right or remedy against the owner under a HAP contract.
9. Denial of the issuance of voucher or portability of voucher due to funding from the Department of HUD.

C. Notice to the Family

1. In the cases described in paragraphs 16.3(A)(1)(a), (b), and (c), of this Section, the HRA will notify the family that the family may ask for an explanation of the basis of the HRA 's determination, and that if the family does not agree with the determination, the family may request an informal hearing. The request must be made within 10 business days of the decision.
2. In the cases described in paragraphs 16.3(A) (1) (d), (e), and (f), of this Section, the HRA will give the family prompt written notice that the family may request a hearing within 10 business days of the notification. The notice will:
 - a. Contain a brief statement of the reasons for the decision; and
 - b. State this if the family does not agree with the decision, the family may request an informal hearing on the decision within 10 business days of the notification.

D. Hearing Procedures

The HRA and participants will adhere to the following procedures:

1. Discovery

- a. Prior to the hearing, the family will be given the opportunity to examine any HRA documents that are directly relevant to the hearing. The family will be allowed to copy any such document at the family's expense. If the HRA does not make the document(s) available for examination on request of the family, the HRA may not rely on the document at the hearing.
- b. Prior to the hearing, the HRA will be given the opportunity to examine, at the HRA's offices, any family documents that are directly relevant to the hearing. The HRA will be allowed to copy any such document at the HRA's expense. If the family does not make the document(s) available for examination on request of the HRA, the family may not rely on the document at the hearing.

Note: The term **document** includes records.

2. Representation of the Family

At its own expense, a lawyer or other representative may represent the family. The participant and all adult members of the household requesting the informal hearing must be present during the informal hearing unless excused by the St. Cloud HRA for good cause. The request to excuse a Participant or adult family member from attending shall be made prior to the date of the hearing.

3. Hearing Officer

- a. The hearing will be conducted by any person or persons designated by the HRA, other than a person who made or approved the decision under review or a subordinate of this person.
- b. The person who conducts the hearing will regulate the conduct of the hearing in accordance with the HRA hearing procedures.
- c. The HRA will make every effort to conduct the informal hearing prior to the actual termination date from the program.

4. Evidence

The HRA and the family must have the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

5. Procedures Governing the Hearing

6. The Housing Authority will endeavor to conduct the informal hearing in a manner which makes it possible for a complainant to proceed without counsel. Ordinarily, the Housing Authority will not be represented by counsel at the informal hearing, unless the complainant is represented. If a complainant intends to be represented at the informal hearing, the representative must enter an appearance by informing the Housing Authority as soon as reasonably possible, and in any event at least 24 hours before the informal hearing. If the Housing Authority intends to be represented by counsel at the informal hearing, the Housing Authority will notify the complainant as soon as reasonably possible, and in any event at least 24 hours before the informal hearing.

7. Upon appointment of the hearing officer, the hearing officer must refrain from ex parte communication with the parties. If either party or representative wishes to communicate with the hearing officer, he or she must either communicate in writing, with a copy to the adverse party, or orally in the presence of both parties (or their representatives). For purpose of this subsection, party includes the staff whose decision is being examined by the hearing officer, the complainant and their respective representatives. The evidence considered by the hearing officer will consist of evidence submitted at the hearing.

The Hearing shall be held before a Hearing Officer.

The Complainant shall be afforded a fair hearing providing the basic safeguards of due process which shall include:

- a. The opportunity to examine before the grievance hearing and at the expense of the Complainant, to copy all non-privileged documents, and records of the Housing Authority that are directly relevant to the hearing. Any document not made available, after request thereof by the complainant, may not be used as evidence by the Authority at the hearing;
- b. The right to a private hearing unless the Complainant requests a public hearing;
- c. The right to be represented by counsel or other person chosen as his/her representative;
- d. The right to present evidence and arguments in support of his/her complaint, to controvert evidence relied on by the Housing Authority; and to confront and cross-examine all witnesses on whose testimony or information the Housing Authority relies; and
- e. A decision based solely upon the facts presented at the hearing.

If the Hearing Officer determines that the issue has been previously decided in another proceeding the hearing officer may render a decision without proceeding with the hearing.

If the Complainant or Housing Authority fail to appear at the scheduled hearing, the Hearing Officer may make a determination to postpone the hearing for not to exceed five (5) working days OR make a determination that the party has waived his/her opportunity to a hearing. Both parties will be notified of the determination provided that such a determination in no way waives the Complainant's right to appropriate judicial proceedings.

At the hearing, the Complainant must first make a showing of an entitlement of the relief sought and thereafter the Housing Authority must sustain the burden of justifying the Authority actions or failure to act against which the complaint is directed.

The hearing shall be conducted by the Hearing Officer in such a way to be:

- a. Informal - oral or documentary evidence pertinent to the facts and issues raised by the complaint may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings;
- b. Orderly - the hearing officer or panel shall require that the Housing Authority, Complainant, counsel and other participants and spectators conduct themselves in an orderly fashion. Failure to comply with the directions of the Hearing Officer or panel to obtain order may result in exclusion from the proceedings or in a decision adverse to the interest of the disorderly party and granting or denial of the relief sought, as appropriate.

The Complainant or Housing Authority may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript.

The Housing Authority will provide reasonable accommodations for persons with disabilities to participate in the hearing.

Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations or attendants.

If the resident is visually impaired, any notice which is required under this procedure will be in an accessible format.

Hearing Officer's request for legal or policy advice. Ordinarily, the Hearing Officer will not be an attorney. In circumstances where the Hearing Officer determines that he requires outside assistance in resolving policy or legal issues, the Hearing Officer may proceed in any of the manners listed below. In those circumstances in which the hearing officer's request for assistance involves an opinion of his/her liability or responsibility in the role of hearing officer, the request for assistance may be verbal or in writing at the discretion of the hearing officer. In all other cases, the request and response shall be in writing, and a copy shall be included in the applicant's file.

- a. **The Hearing Officer may request policy advice or clarifications from the Executive Director in writing. The Executive Director, with or without legal advice, may then respond in writing.**
- b. **The Hearing Officer may consult with HUD.**
- c. **The Hearing Officer may inquire of counsel for the applicant and Housing Authority for their respective positions.**
- d. **The Hearing Officer may make factual findings and certify a legal issue to the Executive Director for an ultimate decision based upon agency policy as interpreted by the Executive Director.**

6. Issuance of Decision

The person who conducts the hearing must issue a written decision within 14 calendar days from the date of the hearing, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.

7. Effect of the Decision

The HRA is not bound by a hearing decision:

- a. Concerning a matter for which the HRA is not required to provide an opportunity for an informal hearing under this Section, or that otherwise exceeds the authority of the person conducting the hearing under the HRA hearing procedures.
- b. Contrary to HUD regulations or requirements, or otherwise contrary to Federal, State, or local law.
- c. If the HRA determines that it is not bound by a hearing decision, the HRA will notify the family within 14 calendar days of the determination, and of the reasons for the determination.

E. Considering Circumstances

In deciding whether to terminate assistance because of action or inaction by members of the family, the Housing Authority may consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

The Housing Authority may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. The Housing Authority may permit the other members of a participant family to continue receiving assistance.

If the Housing Authority seeks to terminate assistance because of non-prescribed use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that the Housing Authority provides notice to the family of the Housing Authority determination to deny or terminate assistance. In determining whether to terminate assistance for these reasons the HRA will consider evidence of whether the household member:

1. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the non-prescribed use of a controlled substance or abuse of alcohol;
2. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
3. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the non-prescribed use of a controlled substance or abuse of alcohol.

F. Informal Hearing Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The participant family may request that the HRA provide for an informal hearing after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the participant family within 30 days of receipt of the *Notice of Denial or Termination of Assistance*, or within 30 days of receipt of the INS appeal decision.

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

