

**Administrative Plan**  
**July 2025**

QUADEL CONSULTING & TRAINING 

## Table of Contents

CHAPTER 1- Program Authority and Objectives .....	14
1.1 Applicable Regulations .....	14
1.2 GHA Vision and Mission .....	14
1.3 Purpose of the Administrative Plan .....	14
1.4 Approval of Plan and Use of Administrative Fee Reserves.....	15
1.5 Housing Through Modernization Act .....	15
CHAPTER 2 - General Administrative Provisions and Polices .....	17
2.1 Confidentiality and Privacy Policy .....	17
2.2 Record Retention Policy .....	17
CHAPTER 3- General Fair Housing Policies .....	18
3.1 Nondiscrimination Policy .....	18
3.2 Complying with Civil Rights Laws .....	18
3.3 Owner Nondiscrimination Requirements .....	19
3.4 Family Outreach and Affirmative Marketing .....	20
3.5 Owner Outreach.....	20
3.6 Language Assistance Plan and Limited English Proficiency Policy .....	21
3.6.1 LEP Options .....	21
3.7 Reasonable Accommodation Policy.....	22
3.7.1 Legal Authority .....	23
3.7.2 Definition of Disability.....	23
3.7.3 Examples of Reasonable Accommodations .....	23
3.8 Live in Aide Policy.....	24
3.9 Physical Impairment Policy .....	26
3.10 Violence against Women Reauthorization Act Policy (VAWA) .....	26

3.10.1	VAWA - Notification of Rights .....	26
3.10.2	VAWA - Confidentiality.....	27
3.10.4	VAWA - Documentation .....	27
3.10.5	VAWA Lease Bifurcation.....	28
3.10.6	Limitation on VAWA Protection .....	28
CHAPTER 4- Applying to the Program and Waiting List.....		30
4.1	Opening and Closing the Waiting List .....	30
4.2	Application Process .....	30
4.3	Maintaining the Waiting List.....	31
4.4	Updating the Waiting List .....	31
4.5	Change in Circumstances .....	32
4.6	Preferences .....	33
4.7	Waiting List Placement .....	35
4.8	Assistance Targeted by HUD .....	36
4.8.1	Foster Youth to Independence Initiative .....	36
4.9	Continuously Assisted Families .....	38
4.10	Relocation of Witnesses and Victims of Crime .....	38
4.11	Income Targeting Policy .....	38
4.12	Fungibility .....	39
4.13	Selection from the Waiting List Notification.....	39
Chapter 5-Initial and Continuing Eligibility .....		40
5.1	Qualifications for Admission .....	40
5.1.1	Income Eligibility .....	40
5.1.2	Restrictions on Eligibility due to Family Net Assets .....	40
5.1.3	Social Security Number Disclosure .....	41
5.1.4	Citizenship Requirements .....	42
5.2	Family Definition .....	42

5.2.1 Head of Household .....	43
5.2.2 Joint Custody.....	43
5.2.3 Family Break Up .....	44
5.2.4 Remaining Family Member .....	44
5.2.5 Foster Youth/Foster Adult/Live In Aide .....	44
5.3 The Student Rule.....	45
5.4 Guests/Visitors.....	45
5.5 Eligibility Process.....	46
5.5.1 Eligibility Notification .....	47
5.6 Criminal Background Policy.....	48
5.6.1 Drug Abuse Treatment Information .....	48
5.7 Duplicative Assistance.....	48
5.8 Absences from the Unit .....	49
5.8.1 Absent Family Member.....	49
5.8.2 Absence of Entire Family.....	50
5.8.3 Absent Student .....	50
5.8.4 Absences Due to Placement in Foster Care .....	50
5.8.5 Caretaker for a Child .....	51
5.8.6 Absent Head or Spouse Due to Employment .....	51
5.8.7 Individuals Absent (Confined) for Medical Reasons .....	51
CHAPTER 6: Tenant Rent and Housing Assistance Payment Calculation .....	52
6.1. Rent To Owner .....	52
6.2 Making Payments to Owners .....	52
6.2.1 Excess Payments .....	53
6.2.2 Late Payments to Owners .....	53
6.3 Rent Reasonableness Determinations.....	53
6.4 Payment Standards for all Voucher Programs.....	54

6.4.1	Adjustments To Payment Standards.....	54
6.4.2	Assisted Families' Rent Burdens .....	54
6.4.3	Quality of Units Selected.....	55
6.4.4	PHA Decision Point.....	55
6.4.5	Rent to Owner Increases.....	55
6.4.6	Time to Locate Housing.....	55
6.4.7	Lowering of the Payment Standard .....	55
6.4.8	File Documentation.....	56
6.5	Owner Payment in the Pre-Merger Regular Certificate Program.....	56
6.6	Owner Payment in the Pre-Merger Over Fair Market Rent Tenancy .....	56
6.6.1	Payments in Mixed-Finance Developments .....	57
6.7	Definition of Income .....	57
6.8	Earned Income Disallowance (EID) Policy.....	58
6.8.1	Disallowance of Earned Income.....	59
6.9	Self-Employment Income.....	59
6.9.1	Co-Owned Businesses .....	60
6.10	Assets .....	60
6.10.1	Jointly Owned Assets .....	60
6.10.2	Disposed Assets.....	60
6.11	Lump Sum Payments.....	63
6.11.1	Prospective Calculation Methodology.....	63
6.11.2	Retroactive Calculation Methodology .....	63
6.11.3	Attorney Fees.....	64
6.12	Excluded Income .....	64
6.12.2	Income from Training Programs .....	65
6.12.3	Student Financial Assistance (24 CFR 5.609(9)(i), (ii)) .....	65
6.12.4	State Payments to Allow Individuals with Disabilities to Live at Home .....	66

6.13 Deductions from Income .....	66
6.13.1 Dependent and Elderly Family Deduction .....	66
6.13.2 Health and Medical Care Expense .....	66
6.13.3 Attendant Care and Auxiliary Apparatus Expenses .....	66
6.13.4 Both Medical and Disability Expenses .....	67
6.13.5 Childcare .....	68
6.14 Prior Year Income.....	69
6.15 Anticipated Income.....	70
6.16 Total Tenant Rent and HAP.....	70
6.17 Utility Allowances and Utility Reimbursements .....	71
6.18 Hardship Exemptions .....	71
6.18.1 Health and Medical Care Expense Hardship.....	72
6.18.2 General Financial Hardship.....	72
6.18.3 Hardship for loss of Childcare Expense.....	73
6.18.4 Minimum Rent Hardship Exemptions.....	73
CHAPTER 7: Request for Tenancy Approval and Leasing.....	76
7.1 Voucher Briefing.....	76
7.2 Information to Owners .....	76
7.3 Allowable Housing Types .....	77
7.4 Request for Tenancy Approval (RFTA) .....	78
7.4.1 Tenancy Addendum .....	79
7.4.2 Dwelling Lease.....	79
7.5 Voucher Term.....	79
7.4.1 Voucher Extensions.....	80
7.4.2 Voucher Suspension.....	81
7.6 Subsidy Standards .....	81
7.5.1 Subsidy Standards.....	81



7.6.2 Exceptions to Subsidy Standards .....	82
7.6.3 Unit Size Selected by Family .....	83
7.6.4 Under-Housed and Over-Housed Families .....	83
7.7 Security Deposit .....	83
7.8 Separate Agreements .....	83
7.9 Initial Rent Burden .....	84
7.10 Disapproval of RFTA .....	84
7.11 Owner Disapproval .....	84
CHAPTER 8: Housing Inspection and Rent Reasonableness .....	88
8.1 Inspection Charges .....	88
8.2 Initial Inspections .....	89
8.3 Biennial Inspections .....	90
8.4 Special Inspections .....	90
8.5 Quality Control Inspections .....	90
8.6 Scheduling Inspections and Family Attendance .....	91
8.6.1 Missed and Rescheduled Inspections .....	91
8.7 Emergency Inspections .....	91
8.8 Owner Inspection Certifications .....	93
8.9 Extensions .....	93
8.10 Family Responsibilities .....	94
8.11 Owner Responsibilities .....	94
8.11.1 Lead Safe Homes Rule .....	95
8.12 Rent Reasonableness .....	96
8.12.1 Decreases in the Fair Market Rent .....	96
8.12.2 Methodology .....	96
CHAPTER 9: Housing Assistance Payment Contract .....	98
9.1 HAP Payments .....	98

9.2 Owner Rent Increases .....	99
9.3 Unit Ownership Changes.....	99
9.4 HAP Contract Terminations .....	100
CHAPTER 10: Verifications .....	102
10.1 Methods of Verification .....	102
10.1.1 EIV Verification Process .....	102
10.1.3 Third Party Written Verifications.....	103
10.1.4 Third Party Oral Verifications.....	103
10.1.5 Family Self-Certifications .....	103
10.2 Excluded Income Verifications.....	104
10.3 Eligibility Verifications.....	104
10.4 Legal Identity Verification .....	105
10.4.1 Marriage Verification .....	105
10.4.2 Separation or Divorce Verification.....	105
10.4.3 Adult Member Absence Verification .....	106
10.4.4 Foster Children and Foster Adults Verification.....	106
10.4.5 Student Status Verification .....	106
10.4.6 Student Head of Households .....	106
10.4.7 Disabled Status Verification .....	107
10.4.8 US Citizens and Nationals .....	107
10.5 Verification of Income.....	108
10.5.1 Wage Verification.....	108
10.5.2 Tip Income Verification .....	108
10.5.3 Bonus Income Verification .....	108
10.5.4 Business and Self Employment Income Verification .....	108
10.5.5 Social Security and SSI Benefits Verification.....	109
10.5.6 Alimony and Child Support Verification.....	109



10.5.7 Zero Income Verification.....	110
10.5.8 Student Financial Assistance.....	110
10.6 Verification of Assets .....	110
10.6.1 Assets Disposed of for Less Than Fair Market Value Verification .....	111
10.6.2 Ownership of Real Property.....	111
10.6.3 Income from Rental Verification.....	111
10.7 Verification of Expenses.....	112
10.7.1 Medical Expenses.....	112
10.7.2 Attendant Care and Auxiliary Apparatus Expenses .....	112
10.7.3 Childcare Expense Verification .....	113
CHAPTER 11: Ongoing Program Operations .....	115
11.1 Annual Re-Certifications .....	115
11.1.1 Streamlined Income Determinations.....	116
11.1.2 Safe Harbor Income Determination.....	116
11.2 Interim Reexaminations.....	117
11.2.1 Changes to Household Composition.....	117
11.2.2 Reporting Changes Affecting Income or Expenses .....	117
11.2.3 GHA-Initiated Interim Re-certifications .....	118
11.2.4 Interim Re-certification Effective Dates.....	118
11.3 Family Moves .....	119
11.3.1 Denial of Moves .....	120
11.3.2 Move Process .....	121
11.3.3 Duplicate Housing Assistance Payments with a Move .....	122
11.4 Portability.....	122
11.4.1 Outgoing Portability.....	122
11.4.2 Incoming Portables .....	123
CHAPTER 12: Denial of Assistance to Applicants and Termination of Assistance to Participants	124

12.1 Evidence and Considerations .....	124
12.2 Denial of Assistance .....	125
12.3 Notice of Denial.....	128
12.4 Denial of Assistance for Noncitizens.....	128
12.5 Grounds for Termination .....	129
12.6 Termination Notification.....	133
12.7 Removal of a Family Member from the Application .....	134
12.8 Reasonable Accommodation Related to Denials or Terminations.....	134
12.9 Repayment Agreements .....	134
CHAPTER 13: Informal Reviews and Informal Hearings .....	137
13.1 Informal Review Policy.....	137
13.2 Informal Hearing Policy.....	138
13.3 Conducting Informal Hearings .....	139
13.3.1 Hearing Decision .....	140
13.3.2 Invalid Decisions.....	140
13.3.3 Rights of the Applicant/Participant and GHA .....	140
13.3.4 Review/Hearing Process .....	141
13.3.5 Decisions Not Binding to GHA.....	142
13.3.6 Hearing Provisions for Restrictions on Assistance to Non-Citizens.....	143
13.4 USCIS Determination of Ineligibility.....	143
CHAPTER 14: Program Integrity.....	145
14.1 Detecting Errors and Program Abuse .....	146
14.2 De Minimis Errors.....	147
14.3 Consideration of Remedies.....	147
14.3 Notice and Effective Dates.....	148
14.4 Family Prohibited Actions .....	148
14.5 GHA Prohibited Activities.....	149

14.6 Owner Prohibited Activities .....	149
14.6.1 Owner Remedies and Penalties .....	150
14.6.2 Corrections to Subsidy Payments .....	150
CHAPTER 15: Homeownership.....	152
15.1 Family Eligibility.....	152
15.2 Selection of Families .....	153
15.3 Eligible Units.....	154
15.4 Additional GHA Requirements for Search and Purchase.....	155
15.4.1 Homeownership Counseling.....	155
15.5 Home Inspections, Contract of Sale and Disapproval of Sellers.....	155
15.5.1 Home Inspections .....	155
15.5.2 Down Payment.....	156
15.5.3 Contract of Sale.....	156
15.5.4 Disapproval of a Seller .....	156
15.6 Financing .....	157
15.7 Continued Assistance Requirements; Family Obligations .....	157
15.8 Maximum Term of Homeowner Assistance .....	158
15.9 Homeownership Assistance Payments and Expenses.....	158
15.10 Portability.....	160
15.11 Moving with Continued Assistance.....	161
15.12 Denial or Termination of Assistance.....	161
CHAPTER 16: Project Based Vouchers .....	163
16.1 Overview .....	163
16.2 Proposal Selection.....	163
16.2.1 GHA Request for Proposals Method for Rehabilitated and Newly Constructed Units .....	163
16.2.2 GHA Requests for Proposals for Existing Housing Units.....	164

16.2.3	GHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program.....	165
16.3	Notice of Owner Selection .....	165
16.4	Agreement to Enter into HAP Contract .....	165
16.5	Site Selection Standards.....	166
16.5.1	GHA Owned Units .....	167
16.5.2	Eligible Units/Cap on PBV Units .....	167
16.7	Housing Assistance Payments (HAP) Contracts .....	168
16.7.1	Term of the HAP Contract.....	168
16.7.2	Extending the HAP Contact.....	169
16.7.3	Amendments, Additions and Substitutions to the HAP Contract.....	169
16.8	Unit Inspections .....	169
16.8.1	Enforcement of Inspection Standards .....	170
16.8.2	Notification to PBV Applicants .....	170
16.8.3	Lead-based Paint.....	170
16.9	Initial Rent and Rent Increases .....	171
15.9.1	Initial Rent .....	171
15.9.2	Rent Increases.....	171
16.10	Tenant Selection .....	171
16.11	Unit Moves/Transfers .....	172
16.11.1	Overcrowded, Under-Occupied, and Accessible Units .....	172
16.11.2	Moves Requested by the Tenant.....	173
16.11.3	Moves from Excepted Units.....	173
16.12	Vacancy Payments .....	174
16. 13	Reduction in HAP Contract Due to Vacancies.....	175
CHAPTER 17:	Rental Assistance Demonstration (RAD) .....	176
17.1	Overview .....	176
17.2	Resident Rights .....	176

17.2.1 No Re-screening of Tenants upon Conversion .....	176
17.2.2 Right to Return.....	176
17.2.3 Renewal of Lease .....	177
17.2.4 Phase-in of Tenant Rent Increases.....	177
17.2.5 Family Self-Sufficiency .....	177
17.2.6 Choice-Mobility.....	178
17.2.7 Resident Participation and Funding.....	178
17.3 Waiting List.....	178
17.4 Earned Income Disregard(EID).....	178
17.5 Termination Notification.....	179
17.6 Grievance Process .....	179
Appendix A: Income Exclusions .....	181
Appendix B: Asset Exclusions.....	183

# CHAPTER 1- Program Authority and Objectives

Link: [United States Housing Act of 1937](#)

The GHA manages the Housing Choice Voucher (HCV) Program and other housing programs in the geographic area covering the city of Galveston, TX. Through its assisted housing programs, eligible families are provided the opportunity to obtain decent, safe and sanitary housing.

Administration of GHA's Housing Programs and the functions and responsibilities of GHA staff are in compliance with GHA's policies and procedures, the Department of Housing and Urban Development's (HUD) regulations, and all applicable Federal, State and local fair housing laws.

## 1.1 Applicable Regulations

- [24 CFR Part 5](#): General Program Requirements
- [24 CFR Part 8](#): Nondiscrimination
- [24 CFR Part 35](#): Lead Safe Housing
- [24 CFR Part 903](#): Public Housing Agency Plans
- [24 CFR Part 982](#): Section 8 Tenant Based Assistance
- [24 CFR Part 983](#): Project Based Vouchers
- [24 CFR Part 985](#): Section 8 Management Assessment Program
- [24 CFR Part 100](#): Discriminatory Conduct Under the Fair Housing Act

## 1.2 GHA Vision and Mission

### Vision

GHA uses its resources to create and strengthen inclusive, healthy and sustainable neighborhoods by providing high quality, affordable housing choices and by empowering low and moderate income families, the elderly, Veterans, victims of domestic violence, and the disabled in their journeys toward self-sufficient lives.

### Mission

GHA creates excellent housing options by fostering public and private partnerships with best in class real estate developers, property managers, and service providers to leverage public funds with private investment and empower individuals, families and communities by providing tools and opportunities to move in, up, and out.

## 1.3 Purpose of the Administrative Plan

Link: [24 CFR.982.54](#)

The Administrative Plan (Plan) establishes policies for implementation and administration of the Housing Choice Voucher Program administered by the GHA. The Plan covers both admission to and continued participation in the Tenant Based and Project Based Voucher programs. Policies



related to GHA's Family Self Sufficiency (FSS) Program are provided in a separate document, the FSS Action Plan, and are not part of this document.

Issues not addressed in this document related to applicants, participants and owners are governed by the Department of Housing and Urban Development Code of Federal Regulations, HUD guidance, or other applicable law. When circumstances arise and are not addressed by provisions in this Plan, they will be reviewed on a case-by-case basis. If a conflict arises between or among the regulations identified in this Plan, the regulations specifically stated for the applicable program will take precedence.

## **1.4 Approval of Plan and Use of Administrative Fee Reserves**

[Link: 24 CFR 982.155](#)

Only the GHA Board of Commissioners is authorized to approve changes to the Administrative Plan and to authorize charges to the administrative fee reserve. Expenditures will not exceed 50,000 per occurrence without the prior approval of the GHA Board of Commissioners. The GHA is responsible for complying with all subsequent changes in HUD regulations pertaining to the programs administered by the GHA. If such changes conflict with this Administrative Plan, HUD regulations will take precedence.

## **1.5 Housing Through Modernization Act**

[Link: HOTMA Resources | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)

The Housing Opportunity Through Modernization Act of 2016 (HOTMA) was enacted on July 29, 2016. Public Housing Authorities such as the GHA implement the provisions of the law following HUD issued guidance. On February 14, 2023, HUD issued the Final Rule Implementing HOTMA Sections 102, 103, and 104 which are effective January 1, 2024 and require compliance by January 1, 2025 unless otherwise extended by HUD. These sections make changes to the United States Housing Act of 1937, particularly those affecting income calculation, reviews, and program eligibility. While some changes related to HOTMA are effective beginning in 2024 (such as the phasing out of Earned Income Disallowance), other changes cannot be effective until the housing management software and HUD systems are available to accept the new data. This date is referred to as the GHA HOTMA Compliance Date. The GHA will post on its website when the GHA HOTMA Compliance Date has been established.



# QUADEL CONSULTING

## **CHAPTER 2 - General Administrative Provisions and Policies**

### **2.1 Confidentiality and Privacy Policy**

Link: [24 CFR 5.212](#); [HUD Form 9886A](#)

It is the policy of GHA to guard the privacy of applicants and participants and ensure the protection of records in accordance with the Privacy Act of 1974. GHA will not disclose any personal information (including, but not limited to information on any disability) contained in its records to any person or agency unless the individual about whom the information is requested gives written consent to such disclosure, or as required by law.

This privacy policy does not limit GHA's ability to collect such information as it may need to determine eligibility, compute housing assistance, and does not prohibit the GHA from disclosing information to local law enforcement if the participant is suspected of being involved in criminal or legal activity.

All applicant and participant information will be kept in a secure location and access will be limited to authorized GHA staff. GHA staff will not discuss personal family information unless there is a business reason to do so.

### **2.2 Record Retention Policy**

Link: [24 CFR 908.101](#); [24 CFR 35 Subpart B](#)

The GHA will keep all documents related to a family's eligibility, tenancy, and termination in accordance with HUD and the City of Galveston requirements.

## CHAPTER 3- General Fair Housing Policies

### 3.1 Nondiscrimination Policy

Links: [Fair Housing Act \(42 U.S.C\); Section 504 of the Rehabilitation Action of 1973](#); [Joint Statement of HUD and DOJ 5/17/14](#) and [24 CFR 982.54\(d\) \(6\)](#); [982.301\(b\) \(10\)](#); [982.304](#)

GHA will not discriminate because of race, color, sex (includes, but is not limited to, pregnancy, childbirth, or medical conditions related to pregnancy or childbirth, as well as gender identity and gender expression), religion, marital or familial status, age, disability, medical condition, national origin, ancestry and sexual orientation. Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18. GHA provides information regarding Fair Housing and non-discrimination in housing on its website, in outreach materials, posters at its office, in the family briefing session and program packets, and owner meetings. When needed, GHA will also assist with how to fill out and file a housing discrimination complaint.

### 3.2 Complying with Civil Rights Laws

It is the policy of the GHA to comply with all federal, state and local non-discrimination laws, rules and regulations governing fair housing and equal opportunity in housing and employment now in effect and subsequently enacted, including, but not limited to:

- [Title VI of the Civil Rights Act of 1964](#), which forbids discrimination on the basis of race, color, religion, or national origin.
- [Title VIII of the Civil Rights Act of 1968](#) (as amended by the 1974 HCDA and the Fair Housing Amendments Act of 1988), which extends protection against discrimination based on disability and familial status, and spell out forms of prohibited discrimination
- [Executive Order 11063](#) which prohibits discrimination in federally funded housing.
- [Section 504 of the Rehabilitation Action of 1973](#), which describes specific housing rights of persons with disabilities
- [Age Discrimination Act of 1975](#) which prohibits discrimination based on age in programs or activities that receive federal financial assistance
- [Title II of the Americans with Disabilities Act](#), otherwise Section 504 and the Fair Housing Amendments govern (Title II deals with common areas and public space, not living units)
- [Violence Against Women Reauthorization Act](#) (VAWA) which provides housing protections for victims of domestic violence, dating violence, sexual assault, and stalking.
- [Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity](#), also known as the “Equal Access Rule”

- Any applicable State laws or local ordinances that may apply, including those pertaining to Fair Housing or any legislation protecting the individual rights of residents, applicants or staff which may be subsequently enacted

GHA's housing programs are open to all eligible individuals regardless of sexual orientation, gender identity or marital status. GHA will not inquire about the sexual orientation or gender identity of an applicant or participant for purposes of determining eligibility or otherwise making such housing available. However, the GHA may inquire about a person's sex in order to determine the number of bedrooms a household may be eligible for under the occupancy standards or to accurately complete HUD's 50058. The GHA will not discriminate because of race, color, marital status, sexual orientation, national or ethnic origin or ancestry, sex, religion, age, familial status, source of income, or disability in the leasing, rental, occupancy, use, or other disposition of housing or related facilities.

Applicants or participant families who believe that they have been subject to unlawful discrimination may notify the GHA either orally or in writing. Notifications made orally will be documented in writing by GHA staff including complaint description, applicant/participant name, date, and GHA staff taking complaint. GHA will make every reasonable attempt to determine whether the applicant's or participant's assertions have merit and take any warranted corrective action. The GHA will attempt to remedy discrimination complaints made against the GHA through the existing informal review, informal hearing, or other reconsideration. In addition to internal procedures to remedy allegations of discrimination, the GHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

Houston Regional Office of FHEO  
U.S. Department of Housing and Urban Development 1301 Fannin Street  
Room 2200  
Houston, Texas 77002

### **3.3 Owner Nondiscrimination Requirements**

Link: [Form HUD 52641](#); [PIH 2014-20](#)

The GHA requires owners to comply with all applicable laws and statutes. In agreeing to participate in GHA's housing choice voucher programs, the owner must abide by the Housing Assistance Payments (HAP) contract which prohibits discrimination and requires that the owner:

- Not discriminate against any person because of race, color, religion, sex, sexual orientation, gender identity, national origin, age, familial status, or disability in connection with the HAP contract.

- Cooperate with the GHA and HUD in conducting equal opportunity compliance reviews and investigations.

GHA refers Fair Housing complaints to the local fair housing agency as well as to HUD on behalf of a family that claims that illegal discrimination has prevented the family from leasing a suitable unit.

### **3.4 Family Outreach and Affirmative Marketing**

Link: [24 CFR 982.102](#)

The GHA publicizes and disseminates information concerning the availability and nature of housing assistance to income eligible families. As part of the briefing process and on-going education, GHA will provide information to HCV families about the opportunity to rent in a broad range of neighborhoods including:

- A listing of available rental property. This listing may be provided as a website(s) or other publications of available local rental properties.
- A list of properties/owners who accept HCV.
- A description of portability provisions available in the Housing Choice Voucher program.
- A map that identifies areas within the City of Galveston that are areas of low poverty and minority concentrations.
- A description of portability provisions available in the Housing Choice Voucher program
- Other information as required.

When GHA's waiting list is open, GHA will publicize the availability and nature of housing assistance through a wide variety of sources including local and State newspapers, minority media and the City of Galveston website. Efforts will be made to notify local officials, government agencies, and agencies that specifically address the needs of individuals with disabilities.

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

### **3.5 Owner Outreach**

Link: [24 CFR.982.54](#)

GHA encourages program participation by owners of units located outside areas of poverty or minority concentration. The purpose of these activities is to provide more choices and better housing opportunities to families. Outreach to property owners is regularly conducted to



develop interest in the program and to increase the number of units available in low-poverty areas. GHA provides program information and printed materials to local realtors, agents, apartment associations and any interested landlords. GHA staff will be available to make presentations about the Housing Choice Voucher Program to these groups.

### **3.6 Language Assistance Plan and Limited English Proficiency Policy**

Link: [Federal Register 1/22/07, 24 CFR 1](#)

The GHA is committed to providing meaningful access to its programs and services to all eligible persons, including those who have Limited English Proficiency because of their national origin. GHA will take affirmative steps to communicate with people who need services or information in a language other than English. LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this policy, LEP persons are HCV program applicants and participant families.

GHA has determined that the majority of participants speak either: English and Spanish. The GHA staff can communicate in: English and Spanish. GHA staff have specific knowledge of GHA programs and policies, and GHA will utilize staff for translation services when possible.

Given very limited resources GHA will not develop a written LEP plan but will consider alternative ways to communicate and provide meaningful access. Every year, as part of GHA's annual plan process, the need for a LEP Plan will be reviewed and a Plan created if needed. The review will assess whether there have been any significant changes in the composition or language needs of the LEP population. The GHA will analyze the various kinds of contacts it has with the public to assess language needs and decide what reasonable steps should be taken if the costs imposed do not substantially exceed the benefits.

If in the future GHA determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) developing, monitoring and updating the LEP plan as needed.

#### **3.6.1 LEP Options**

- When LEP persons request, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the GHA. The interpreter may be a family member or friend.
- The GHA will utilize a language line for telephone interpreter services.
- GHA will inform applicants and participants of language assistance services.

- GHA will not provide written translation but will provide written notice in the primary language of the LEP language group of the right to receive oral interpretation of those written materials, free of cost. Translation may also be provided orally.

### **3.7 Reasonable Accommodation Policy**

Link: [24 CFR Part 8](#)

This policy applies to applicants and participants. A reasonable accommodation is a change, modification, alteration or adaptation in a policy, procedure, practice, program or facility that is necessary for a qualified individual with a disability to have the opportunity to participate in, and benefit from a program or activity.

GHA will ask all applicants and participant families if they require any type of accommodations, in writing, on the intake application, re-certification documents, and notice of adverse action. The notice will include the name and phone number of the GHA contact person for requests for accommodation for persons with disabilities.

The GHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the GHA will consider the accommodation any time the family indicates that accommodation is needed whether a formal written request is submitted. If the request is made orally, the GHA will document the request in writing including: request specifications, family name, date, and GHA staff taking request.

If a person with a disability requests accommodation to an existing rule, policy, practice, or service to fully access and utilize the GHA's housing programs and related services, the GHA will verify and evaluate the request. The GHA will approve a request for an accommodation if the following three conditions are met:

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the GHA, or fundamentally alter the nature of the GHA's HCV operations (including the obligation to comply with HUD requirements and regulations).

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

Before deciding whether to approve the request, the GHA may enter discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the GHA may verify the need for the requested accommodation.

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

### 3.7.1 Legal Authority

This Policy is in compliance with the statutory GHA listed below:

- [Section 504 of the Rehabilitation Act of 1973](#) (Section 504);
- [Title II](#) and [Title III](#) of the Americans with Disabilities Act of 1990 (ADA);
- [The Fair Housing Act of 1968](#), as amended (Fair Housing Act);
- [The Architectural Barriers Act of 1968](#); and
- [24 C.F. R. Part 8](#)

### 3.7.2 Definition of Disability

Person with disabilities is a person who:

- Has a disability, as defined in [42 U.S.C. 423](#);
- Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
  - Is expected to be of long-continued and indefinite duration;
  - Substantially impedes his or her ability to live independently, and
  - Is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
  - Has a developmental disability as defined in [42 U.S.C. 6001](#).
- Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome;
- For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and
- Means "individual with handicaps", as defined in § [8.3](#) of this title, for purposes of reasonable accommodation and program accessibility for persons with disabilities.

### 3.7.3 Examples of Reasonable Accommodations

- Allowing a larger unit size
- Allowing a larger utility allowance, due to increased usage for medical appliance
- Allowing a live-in aide, with the owner's approval

- Alternative measures instead of program termination, if applicable based on the reason for termination
- Rescheduling appointments and/or hearings
- Permitting portability for non-resident applicants upon admission
- Attendance at a hearing of any other person approved by the GHA
- Permitting an outside agency or family member to assist in an interview or meeting

### 3.8 Live in Aide Policy

Links: [24 CFR 5.403](#); [24 CFR 8](#); [24 CFR 5.609\(c\)\(5\)](#); [24 CFR 966.4\(d\)\(3\)\(I\)](#)

The GHA will approve a live-in aide if needed for families with an elderly member, or as a reasonable accommodation to make the program accessible to and usable by a family member with disabilities.

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

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

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in family income calculations. Relatives may be approved as live-in aides if they meet all the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and will not be considered a remaining member of a participant family.

A family's request for a live-in aide must be made in writing, include the owner's written approval if currently in a unit, and is subject to GHA verification and approval. The live in aide must pass the GHA criminal background screening. For continued approval, the family must submit a new, written request, subject to the GHA verification and approval at each annual reexamination. The owner must continue to approve the live in aide residing in the unit.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is:

- Not obligated for the support of the person(s) needing the care, and
- Would not be living in the unit except to provide the necessary supportive services.

The GHA has the discretion not to approve a particular person as a live-in aide, and may withdraw such approval, if the person:

- Does not meet GHA's eligibility criteria

- Would cause the current unit to become overcrowded according to GHA standards and local codes
- Falls under any category listed in this Policy in the Denials of Admission Section
- Is on the GHA Public Housing Trespass List



QUADEL  
CONSULTING

### 3.9 Physical Impairment Policy

Link: [24 CFR Part 8.6](#)

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display / teletype) communication is available at the GHA office.

When visual aids are used in meetings or presentations, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third-party representative (a friend, relative or advocate, named by the applicant or participant) to receive, interpret and explain housing materials and be present at all meetings.

### 3.10 Violence against Women Reauthorization Act Policy (VAWA)

Links: [Violence Against Women Reauthorization Act](#) ; [24 CFR 5.2005 \(b\), \(d\), \(e\)](#); [24 CFR 5.2003](#); [24 CFR 5.2009](#); [24 CFR 5.2007 \(a\)\(1\)](#); [Federal Register / Vol. 81, No. 221, VAWA 2022 Reauthorization](#)

This Policy is applicable to all federally subsidized housing administered by GHA. GHA will not discriminate against an applicant or resident based on the rights or privileges provided under the VAWA. This policy is gender-neutral, and its protections are available to persons who are victims (including affiliated individuals) of domestic violence, dating violence, sexual assault or stalking.

The GHA will not deny admission to the housing choice voucher program to any person because that person is or has been a victim or affiliated individual of domestic violence (including economic and technological abuse), dating violence, sexual assault or stalking, provided that such person is otherwise qualified for such admission. In addition to prohibiting a denial, termination, or eviction based on the fact that the applicant or tenant/participant is or has been a victim of domestic violence, dating violence, sexual assault or stalking, GHA will not deny admission to an applicant based on an adverse factor, if the adverse factor is determined to be a direct result of the fact that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

#### 3.10.1 VAWA - Notification of Rights

The GHA will enclose in each application packet a notice advising applicants of their rights under VAWA. The GHA will notify participants of their rights under VAWA during the annual re-



certification process and with any adverse action notice along with a copy of the form HUD form 5380 (Notice of Occupancy Rights); HUD form 5382 (Certification of VAWA).

### 3.10.2 VAWA - Confidentiality

All VAWA information provided to the GHA, including the fact that an individual is a victim or affiliated individual of domestic violence, sexual assault, dating violence, sexual assault or stalking (VAWA violence); will be retained in confidence, and will not be entered into any shared database or provided to any related entity, except to the extent that disclosure is:

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

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, GHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

### 3.10.4 VAWA - Documentation

When a participant is facing lease termination because of the actions of a family member, household member, guest, or other person under the participant's control and a participant or immediate family member of the participant's family claims that she or he is the victim or affiliated individual of such actions and that the actions are related to VAWA violence, the GHA will request in writing that the individual submit documentation within fourteen (14) business days affirming that claim. The written request will include instructions on where, when, and to whom the documentation must be submitted. It will also state the consequences for failure to submit the documentation by the deadline. GHA may choose to extend the 14-day requirement to provide documentation or may choose to waive the requirement based on the circumstances surrounding the claim.

The individual may satisfy this request by providing any one of the following documents as described under [24 CFR 5.2007\(b\)\(1\)](#):

- Form [HUD-5382](#); or
- A document:
  - Signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional or a mental health professional (collectively, "professional") from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse:

- Signed by the applicant or tenant; and
- That specifies, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection and remedies under the VAWA Final Rule, and that the incident meets the applicable definition of domestic violence, dating violence, sexual assault, or stalking under 24 CFR 5.2003; or
- A record of a Federal, State, tribal, territorial or local law enforcement agency (may include a police report), court, or administrative agency; or
- At the discretion of GHA, a statement or other evidence provided by the applicant or tenant.

#### 3.10.5 VAWA Lease Bifurcation

The GHA may request the owner to bifurcate a family's lease and terminate the tenancy of the culpable family member if the GHA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the tenancy or program assistance of the remaining, non-culpable family members. In making its decision, the GHA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-50066, HUD-5832) or other documentation of abuse submitted to the GHA by the victim.

If the GHA does bifurcate the lease and terminate the tenancy of the culpable family member, it will do so in accordance with the lease, applicable law, policies in this Administrative Plan and the GHA VAWA Procedure. If necessary, the GHA will also take steps to ensure that the remaining family members have a safe place to live during the termination process. For example, the GHA may refer the remaining family members to a victim service provider or other agency with shelter facilities.

#### 3.10.6 Limitation on VAWA Protection

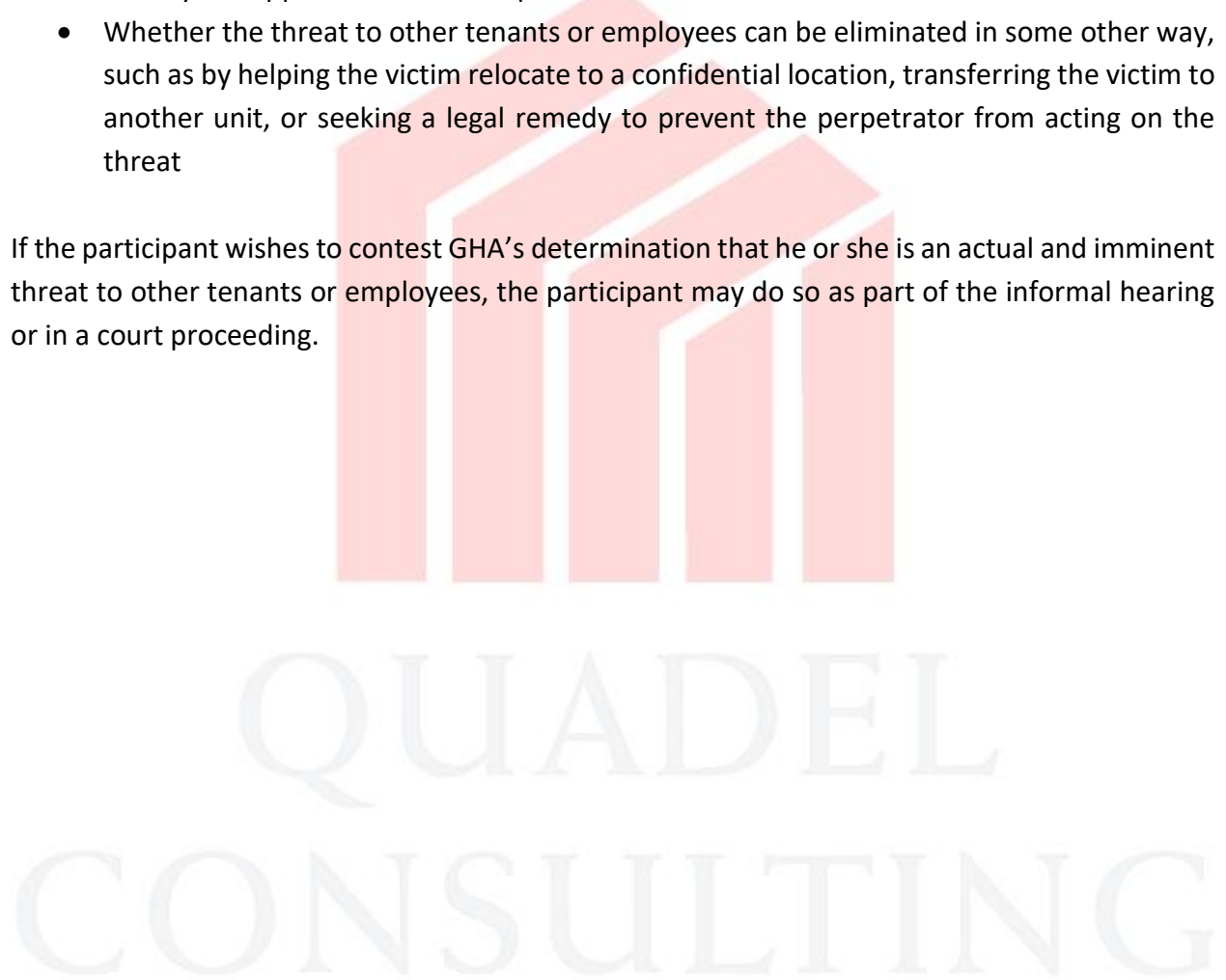
VAWA does not limit GHA's otherwise available authority to terminate assistance to or evict a victim for lease violations not premised on an act of domestic violence, dating violence, or stalking providing that GHA does not subject the victim to a more demanding standard than the standard to which it holds other tenants.

VAWA does not limit GHA's authority to terminate the tenancy of any tenant if GHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant's tenancy is not terminated.

In determining whether a tenant who is a victim of domestic violence, dating violence, or stalking is an actual and imminent threat to other tenants or those employed at or providing service to a property, GHA will consider the following, and any other relevant, factors:

- Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, or stalking
- Whether the threat is a physical danger beyond a speculative threat, whether the threat is likely to happen within a short period of time
- Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location, transferring the victim to another unit, or seeking a legal remedy to prevent the perpetrator from acting on the threat

If the participant wishes to contest GHA's determination that he or she is an actual and imminent threat to other tenants or employees, the participant may do so as part of the informal hearing or in a court proceeding.



## CHAPTER 4- Applying to the Program and Waiting List

[Link: 24 CFR 982.201 to 207](#)

### 4.1 Opening and Closing the Waiting List

Link: [24 CFR 982.206](#)

GHA is responsible for establishing an application and selection process that treats applicants fairly and consistently and provides an effective method for determining eligibility. GHA may choose to open or close the wait list based on the number of applications on file, the number of anticipated available vouchers and the wait time for an available voucher. For targeted outreach efforts, if it has been determined that there is a specific need for applicants for a specific program the waiting list may be opened only for applicants to that program. Applications for any special program will only be accepted from those applicants that meet the criteria for the specific targeted population.

The GHA will announce the opening of the waiting list prior to the date applications will first be accepted. The closing date will be announced at the same time of the opening. If the list is only being reopened for certain categories of families, this information will be contained in the notice. GHA will advertise through a wide variety of sources including local newspapers, GHA's website (<http://www.GHA.org/>), minority media and suitable social media. An effort will also be made to notify elected officials, government agencies and other agencies that specifically address the needs of individuals with disabilities.

In all wait list outreach efforts, the GHA will specify the application selection method in the outreach material and on the GHA web site and in local me.

All notices and advertisements announcing the opening of the waiting list will include:

- The dates the list will be open;
- The means by which applications will be taken (paper; electronic; other)
- Eligibility guidelines;
- Any limitations which may apply.
- How to request reasonable accommodation

### 4.2 Application Process

No one will be denied the right to request or apply when the HCV waiting list is open. However, depending upon the composition of the waiting list regarding family types and preferences and to better serve the needs of the community, the GHA may only accept applications from any family claiming preference(s). When the HCV waiting list is open, GHA will offer all applicants the opportunity to apply to other GHA waiting lists, if open. GHA does not charge any fee for any part of the HCV pre-application or application process.

Accommodations will be made for interested, disabled applicants. If on-line applications are utilized and an applicant needs assistance completing or submitting the on-line application, assistance may be provided over the phone or via other means as identified by GHA.

Only those pre-applications received by the due date as indicated by a postmark or other appropriate electronic submission verification tool during the time-period specified by GHA will be accepted as eligible pre-applications. The date the pre-application is received is the date it is postmarked or submitted electronically. During periods of open enrollment, applications can be placed by those with disabilities or those that do not have access by external organizations that provide human services and or at GHA's designated locations.

An applicant is deemed preliminarily ineligible and not placed on the GHA waiting list if:

- Currently housed in the same program and listed as the head of household or co-head of household.
- The application is incomplete or missing required information.

### **4.3 Maintaining the Waiting List**

The GHA will not merge the housing choice voucher waiting list with the waiting list for any other program the GHA operates. The GHA maintains separate wait lists for the tenant-based voucher program and for the project-based voucher program. The project-based voucher wait list is described in Chapter 16 of this Administrative Plan.

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

- Name and address of head of household
- Number of family members, appropriate bedroom size
- Racial / Ethnicity information for the head of household
- Social security number (head of household)
- Amount and source of annual income
- Date and time of application / Randomized wait list selection number

### **4.4 Updating the Waiting List**

The waiting list will be updated as needed to ensure that all applicant information is current. When GHA decides to update the Housing Choice Voucher waiting list, it will notify the applicants on the waiting list requesting updated information. The intent of the notification is

also to determine whether the applicant is still interested in the Housing Choice Voucher Program.

The family's response must be in writing and may be delivered in the manner prescribed by the GHA. Responses should be postmarked or received by the GHA not later than the specified date provided in GHA's letter. If the family fails to respond within the required time period, or the letter is returned by the post office as undeliverable with no forwarding address, the family will be removed from the waiting list without further notice.

When an applicant is removed from the waiting list during the update process for failure to respond, no informal review will be offered. Such failures to act on the part of the applicant prevent GHA from making an eligibility determination; therefore, no informal review is required.

If the family is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless verification of the following is received within 30 calendar days from the response due date:

- The applicant provides evidence that a change of address was submitted to GHA prior to the update notice being issued by GHA;
- During the time of any waiting list update or, at the time of notification for an interview, the applicant could not respond. For example, the applicant was incapacitated due to hospitalization or was unavailable due to active participation on Jury Duty;
- As a result of a GHA data entry error, the applicant address was GHA incorrectly recorded GHA
- The applicant is a person with a disability who requires an alternative form of communication other than one normally used by GHA, and the applicant informed GHA, in advance, of the proper means of communication, as required by regulations.

At the time GHA conducts an opening of the waiting list to establish a new waiting list, no further requests for re-instatement will be accepted or considered from applicants claiming to have been on any prior waiting list.

Notices will be made available in accessible format upon the request of a person with a disability. An extension to reply to the update notification will be considered as a reasonable accommodation if requested by a person with a disability.

## **4.5 Change in Circumstances**

### Preference Status



Changes in an applicant's circumstances while on the wait list may affect the family's preference. Applicants are required to notify the GHA in writing when their circumstances change.

When an applicant claims an additional preference, they will be placed on the waiting list in the appropriate order determined by the newly claimed preference.

The exception to this is, if at the time the family applied, the waiting list was only open to families who claimed that preference. In such case, the applicant must verify that they were eligible for the first preference before they returned to the waiting list with the new preference.

#### Change to the Family Composition

Changes to the family composition after an application has been submitted include addition of family members born to, adopted or otherwise granted custody to the family by operation of the law, which may include foster children, live in aides and spouses, provided the additional family member(s) meet all applicable waiting list requirements and remain eligible for the waiting list. GHA will require documentation that the head of household has authorization to include a minor as part of the household. Court approved custody or guardianship is not the only mechanism for establishing that a head of household has authorization to include a minor in the family composition. Changes to the family composition may also be allowed for families in which one or more children less than eighteen years of age live with the designee of the parent or legal custodian, with the parent or custodians' written consent. Documentation can include but is not limited to court documents, pre-need guardian, school records, other state and federal public assistance documentation, or durable powers of attorney. All other additions to the family will be considered only on a case-by-case basis and must be documented at the time such changes occur. These additions may include immediate family members (sons, daughters, siblings, parents, grandparents, grandchildren) and may be made for humanitarian or extraordinary reasons.

## **4.6 Preferences**

Link: [24 CFR 982.207](#)

GHA will prioritize its waitlist by points. Points will be based on the head of household status. Applicants that meet criteria of more than one preference will have cumulative points awarded.

- GHA Public Housing Disposition: Residents with current lease residing in GHA public housing units subject to disposition, including conversion through the Rental Assistance (RAD) Demonstration program will receive the highest preference for admission to the Housing Choice Voucher program above all other preferences listed below. (11 priority)
- GHA Head of Household Disaster Preference: Former GHA public housing families who were receiving GHA public housing assistance immediately prior to being displaced as a result of a natural disaster, will be given preference over all other displaced families and will take precedence over any other preference. (10 points)
- Youth with expiring Foster Youth to Independence Voucher: Youth who are leaving the Foster Youth to Independence voucher after 36 months. (9 point)
- Local Residency: This preference is for families who live and/or work in the City of Galveston, regardless of the length of time the family has resided and/or worked in the City of Galveston; applicants who have been notified they are hired to work in the City of Galveston; Families whose head or spouse has been given a bona fide offer of employment.) (5 points)
  - The use of a residency preference will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family.
- Work Preference. Families where the head, spouse or sole member is employed. However, an applicant shall be given the benefit of the working family preference if the head and spouse, or sole member is age 62 or older, or is a person with disabilities. (2 points)
- Elderly/Disabled Family Preference: Head of household or spouse who is disabled according to the definition in Section 223 of the Social Security Act or who is 62 years of age or older. (2 points)
- School/Job Training Preference: Families whose head of household or spouse is currently enrolled and participating in a job training program that prepares them for entering or re- entering the job market. Families enrolled in educational programs working toward a degree. (1 point)
- Veteran Preference: Families whose head of household or spouse is an active-duty member of the U.S. Armed Services, Veteran, or surviving spouse of a Veteran. Verification requires U.S. Government Military documents which indicate the applicant qualifies under the above definition. (1 point)

Within each preference category, applicants will be selected in order of the date and time of their application or randomized lottery number depending on the method established for the wait list opening.

Single applicants who are elderly or disabled single persons will be assisted before other single persons.

When adopting a new preference, GHA will notify all applicants on the current waiting list to determine if any are eligible under the preference. GHA will specify in a public notice of a waiting list opening that current waiting list applicants may qualify for the preference. The notice will include any other information new applicants and current applicants on the waiting list will need to know about how to successfully apply and establish their preference status, including any partnering agencies with whom the owner may be working to receive referrals or determine preference eligibility.

If an applicant makes a false statement in order to qualify for a preference, GHA will deny the preference.

If the GHA denies a preference, GHA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for an informal review.

If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if he/she believes they have been discriminated against.

Changes in an applicant's circumstances while on the wait list may affect the family's entitlement to a preference. Applicants are required to notify the GHA in writing when their circumstances change.

When an applicant claims an additional preference, he/she will be placed on the waiting list in the appropriate order determined by the newly claimed preference.

The exception to this is, if at the time the family applied, the waiting list was only open to families who claimed that preference. In such case, the applicant must verify that he/she were eligible for the first preference before he/she returned to the waiting list with the new preference.

#### **4.7 Waiting List Placement**

Only applicants who submitted complete pre-applications prior to the deadline will be placed on the list for selection. Applicants who did not submit complete pre-applications or submitted the pre-application after the deadline will not be placed on the list. GHA may enhance addresses provided by applicants and/or in its system of record to standardize and/or make minor corrections to the address so that it is compliant with delivery standards.

Once the list of all applicants has been created, families will be selected for the waiting list based upon the points for preferences and by date and time of application where more

than one family has the same number of points. When a family is selected from the waiting list, the family will be required to submit a full application and documentation, including verification of preferences, to determine eligibility prior to housing assistance becoming available.

## **4.8 Assistance Targeted by HUD**

[Link: 24 CFR 982.203; 982.203 \(2\)\(b\)\(1-5\)](#)

GHA will admit a family that is not on the waiting list, or without considering the family's waiting list position or preferences in certain circumstances prescribed by HUD. GHA will maintain records showing that the family was admitted with HUD-targeted assistance.

The GHA administers the following types of targeted funding:

- Veterans Affairs Supportive Housing (VASH)
- Foster Youth Initiative

### **4.8.1 Foster Youth to Independence Initiative**

[Link: PIH Notice 2019-20](#)

The GHA administers the Foster Youth to Independence Initiative (FYI) to provide Tenant Protection Vouchers for youth eligible under the Family Unification Program (FUP). Youth (including single member and family households) certified by the public child welfare agency (PCWA) to be eligible if they:

- Attained at least 18 years and not more than 24 years of age
- Left foster care, or will leave foster care within 180 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act at age 16 or older
- Are homeless or at risk of becoming homeless

### **Wait List and Selection**

The GHA, upon receipt of a referral(s) from the Public Child Welfare Agency (PCWA) of an eligible youth, will compare the name(s) with youth already on the GHA HCV waiting list. Any youth on the GHA waiting list that matches with the PCWA's referral will be assisted in order of their position on the waiting list in accordance with GHA admission policies. Any youth certified by the PCWA as eligible and not on the HCV waiting list will be placed on the waiting list. If the GHA has a closed HCV waiting list, it will be reopened for referred youth if vouchers are available. The PHA may reopen the waiting list to accept an FYI eligible youth without opening

the waiting list for other applicants. PCWA has a system for identifying FUP-eligible youth within the agency's caseload and review referrals from the GHA and from the local Continuum of Care. The PCWA system for prioritization of referrals will ensure that youth are prioritized for a FYI tenant protection voucher based upon level of need and appropriateness of the intervention.

The GHA will request a tenant protection from HUD for each FYI eligible family up to 25 vouchers per fiscal year. The FYI voucher is tenant based only. The voucher may not be used for Project Based Voucher Program. In the event that an FYI family does not use the voucher, the GHA will advise HUD and the voucher will be rescinded.

### Voucher Term

FYI vouchers will receive an initial voucher term of 120 days. Prior to the term of voucher expiration, the GHA will notify the applicant/participant and will offer a extension of 90 additional days.

### Term of Assistance and Turnover

As required by statute, a FYI TPV may only be used to provide housing assistance for youth for a maximum of 36 months. The tenant protection voucher cannot be transferred to another family. The GHA will request HUD for a new tenant protection voucher for each eligible family up to the maximum of 24 vouchers per fiscal year.

### Supportive Services

The GHA will provide additional program briefing to the FYI families to advise them of available services. The PWCA will provide the GHA with a commitment for the provision of required supportive services. The services listed below will be available for a period of 36 months to FYI families receiving rental assistance. FYI families cannot be required to participate in these services as condition of receipt of the voucher.

- Basic life skills information/counseling on money management, use of credit, housekeeping, proper nutrition/meal preparation; and access to health care (e.g., doctors, medication, and mental and behavioral health services).
- Counseling on compliance with rental lease requirements and with HCV program participant requirements, including assistance/referrals for assistance on security deposits, utility hook-up fees, and utility deposits.
- Providing such assurances to owners of rental property as are reasonable and necessary to assist a FUP-eligible youth to rent a unit with a voucher.

- Job preparation and attainment counseling (where to look/how to apply, dress, grooming, and relationships with supervisory personnel, etc.).

Educational and career advancement counseling regarding attainment of general equivalency diploma (GED); attendance/financing of education at a technical school, trade school or college; including successful work ethic and attitude models.

## **4.9 Continuously Assisted Families**

Link: [24 CFR 982.4](#); [982.203](#)

GHA will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time, they were issued a voucher by GHA. As noted in this Plan, families being relocated from the GHA's public housing have priority for vouchers and qualify as continually assisted.

When continuously assisted families face loss of housing assistance either because the owner of the property in which they live choose not to renew a subsidy contract or because the property must be vacated for demolition, sale or total rehabilitation, such families may receive vouchers as continuously assisted families (and special non-waiting list admissions).

## **4.10 Relocation of Witnesses and Victims of Crime**

Link: [Witness Relocation Program](#)

GHA will provide Housing Choice Voucher assistance for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing. The GHA will accept written referrals from HUD for such cases. All referred applicants must meet Housing Choice Voucher eligibility requirements before admission to the program.

## **4.11 Income Targeting Policy**

Link: [24 CFR 982.201](#)

The GHA will monitor progress in meeting the Extremely Low Income (ELI) requirement throughout the fiscal year. Extremely Low-Income families are defined as families whose incomes do not exceed the higher of: Federal Poverty Level or 30 percent of Area Median Income. ELI families will be selected ahead of other eligible families on an as-needed basis to ensure that the income targeting requirement is met. Under limited circumstances, HUD rules allow admission of low-income families. If an applicant on the waiting list is skipped over, they will retain their original sequential number placement and be the first applicant offered an opportunity for assistance after the extremely low-income targeting requirement has been met.



## **4.12 Fungibility**

Link: [Quality Housing and Work Responsibility \(QHWRA\) Act](#), aka Public Housing Reform Act or Housing Act of 1998

GHA will exercise fungibility between the Housing Choice Voucher and public housing programs as allowed by HUD to meet income targeting requirements and as also stated in the GHA's Admission and Occupancy Policy.

## **4.13 Selection from the Waiting List Notification**

GHA will notify the family in writing when it is selected from the waiting list. The notice will include who must attend a mandatory appointment, the date, time and location for the appointment and the required documents to bring to the eligibility appointment. Applicants will be admitted according to completion of the required documentation and attendance at the eligibility appointment.

If a notification is returned to GHA with no forwarding address, or not returned within the specified time the family will be removed from the waiting list without further notice. Such failure to act on the part of the applicant prevents GHA from making an eligibility determination; therefore, no informal review will be offered.



## Chapter 5-Initial and Continuing Eligibility

Link: [24 CFR 982.4](#); [982.203](#)

### 5.1 Qualifications for Admission

GHA will admit only applicants who are qualified according to all the following criteria:

- Are a family as defined by HUD and GHA.
- Qualify on the basis of citizenship or the eligible immigrant status of family members. Link [24 CFR Part 5, Subpart E](#)
- Provide documentation of Social Security numbers for all household members or certify that they do not have Social Security numbers. Link: [24 CFR Part 5, Subpart B](#)
- Have income at or below HUD-specified income limits. Link: [24 CFR Part 5, Subpart F](#)
- Consent to GHA's collection and use of family information as provided for in GHA and/or HUD consent forms.

#### 5.1.1 Income Eligibility

Links: [24 CFR 982.201\(b\)](#); [982.4](#); [248.101](#) & [248.173 \(homeownership\)](#)

For admission to the Housing Choice Voucher Program, an applicant must be income eligible in the area where the family initially leases a unit with housing assistance. An applicant porting into the city of Galveston must be eligible in Galveston. A family porting out of Galveston must be income eligible in the area where the family leases an assisted unit.

To determine if the applicant is income eligible, the GHA will compare the annual income of the family to the HUD published GHA income limit for the family's size.

#### 5.1.2 Restrictions on Eligibility due to Family Net Assets

Link: 24 CFR 5.618(a)); 24 CFR 5.618(a)(ii)

Effective upon GHA HOTMA Compliance Date, families may not receive assistance in the housing choice voucher program if their net family assets exceed the maximum amount (set by HUD annually) or if the family owns real property suitable for the family to live in.

A family cannot receive benefits if they have present ownership interest in, a legal right to reside in, and the effective legal authority to sell, based on The State Texas laws, real property that is suitable for occupancy by the family as a residence.

The restriction on owning real property does not apply to:

- A family that receives assistance for the property under the Housing Choice Voucher Program for:
  - Manufactured home (24 CFR 982.620)
  - Homeownership Option

- Property jointly owned with someone else and occupied by the other owner who is not a member of the household receiving benefits.
- A victim of domestic violence, dating violence, sexual assault, or stalking.
- A family that is offering the property for sale.

A family that owns a property may show it is not “suitable for occupancy” if it:

- Does not meet the disability-related needs for all members of the family.
- Is not sufficient for the size of the family.
- Is located where it would be a hardship for the family.
- Example: the location would be a hardship for the family’s commute to work or school
- Is unsafe because of physical condition.
- Unless issues can be “easily remedied”
- Cannot be a residence per local or state laws.

### 5.1.3 Social Security Number Disclosure

Link: [24 CFR 5.216](#), [5.218](#); [Notice PIH 2018-24](#)

The applicant and all members of the applicant’s household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. These requirements do not apply to noncitizens who do not contend eligible immigration status.

If GHA determines that the applicant is otherwise eligible to participate in a program, the applicant may retain its place on the waiting list for the program for up to 90 days but cannot become a participant until it can provide the documentation to verify the SSN of each member of the household. The GHA may accept the self-certification of SSN if the family member is able to provide a third-party document which includes the applicants name and is from a source such as a bank or other federal program.

If a child under the age of 6 years was added to the applicant household within the 6-month period prior to the household’s date of admission, the applicant may become a participant, so long as the documentation required is provided to the GHA within 90 calendar days from the date of admission into the program.

The GHA will grant an extension of one additional 90-day period if the GHA 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 the control of the applicant.

If the applicant family fails to produce the documentation required within the required time period, the GHA must follow the provisions of [§ 5.218](#).

#### 5.1.4 Citizenship Requirements

Link: [24 CFR Part 5, Subpart E](#)

GHA will verify the citizenship/immigration status of applicants at the time other eligibility factors are determined. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance. Each family member must declare whether the individual is a citizen, national or an eligible noncitizen. Family members who declare citizenship or national status will not be required to provide additional documentation supporting the individual's declaration of citizenship and national status unless NHRA receives information indicating that an individual's declaration may not be accurate, such as a birth certificate. All eligible noncitizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age. Prior to being admitted, all eligible noncitizens must sign a declaration of their status and a verification consent form and provide their original USCIS documentation. Family members who do not claim to be citizens, nationals or eligible noncitizens, or whose status cannot be confirmed, must be listed on a statement of non-eligible members and the list must be signed by the head of household.

## 5.2 Family Definition

Link: [24 CFR 5.403](#)

To be eligible for admission, an applicant must qualify as a family. Family as defined by HUD includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- A single person, who may be an elderly person, displaced person, or any other single person including
  - Is an otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age;
  - Has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)); and
  - Is homeless or is at risk of becoming homeless at age 16 or older
- A group of persons residing together, and such group includes, but is not limited to:
  - A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family); unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size, but are not considered family members for determining income limit.

- Child (minor) relationship is determined only by: birth, adoption, a court order establishing custody, or a legal order from the social service agency, (i.e. Child Protective Services, DES, etc.).
  - An elderly family;
  - A disabled family;
  - A displaced family; and
  - The remaining member of a participant family.

For categorizing family as defined above, the terms disabled family and elderly family are:

- Disabled family means a family whose head (including co-head), spouse or sole member is a person with a disability.
- Elderly family means a family whose head (including co-head), spouse or sole member is a person who is at least 62 years of age.

A family may have a spouse or co-head but not both. The co-head is an individual in the household who is equally responsible for the lease with the head of household. A co-head never qualifies as a dependent. The co-head must have legal capacity to enter into a lease.

Each family must identify the individuals to be included in the family at the time of application and must notify the GHA if the family's composition changes within 10 calendar days.

#### 5.2.1 Head of Household

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

#### 5.2.2 Joint Custody

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family more than 50 percent of the time.

When more than one applicant or participant (regardless of program) is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or re-certification will be able to claim the dependents. If there is a dispute about which family should claim the dependent(s), the GHA will make the determination based on court orders and social service agency orders showing which family has custody.

### 5.2.3 Family Break Up

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 submit a new application with a new application date if the waiting list is open.

If a participant family breaks up into two otherwise eligible families, only one of the new families will retain occupancy of the unit.

If a court determines the disposition of property between members of an applicant or participant family as part of a divorce or separation decree, the GHA will abide by the court's determination.

In the absence of a judicial decision or an agreement among the original family members, the GHA will determine which family will retain their placement on the waiting list or continue in occupancy. In making its determination, the GHA will take into consideration the following factors:

- The interest of any minor children, including custody arrangements
- The interest of any ill, elderly, or disabled family members
- The interest of any family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and provides documentation in accordance with this Administrative Plan
- Any possible risks to family members because of criminal activity
- The recommendations of social service professionals

### 5.2.4 Remaining Family Member

A remaining family member is defined as a family member listed on the most recent recertification who is 18 years of age or older, who meets all other eligibility criteria and who continues to live in the unit after all other family members have left. If the head of household leaves the HCVP for any reason, any remaining adult in the household may be designated by the remaining family as the head of household. If there are no remaining adults in the household, GHA may, at its discretion, allow another person related to the remaining tenant family by blood or marriage or court action to assume head of household responsibilities, even though that person was not previously listed on the lease.

### 5.2.5 Foster Youth/Foster Adult/Live In Aide

Foster adults, foster children and live-in aides are members of the household (and therefore will be considered when determining appropriate unit size and utility allowance), they are not

considered members of the family for purposes of determining either annual and adjusted income or net family assets, nor are their assets taken into consideration for purposes of the asset limitations.

### 5.3 The Student Rule

Link: [24 CFR Section 5.612](#)

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

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

The above restriction does not apply to a person with disabilities as such term is defined in section 3(b)(3)(E) of the 1937 ACT and who was receiving Section 8 assistance on November 20, 2005.

### 5.4 Guests/Visitors

Guests/Visitors are permitted based on the terms in the owner's lease; the owner has provided approval for the guest/visitor; and the guest/visitor is not an unauthorized person living in the unit.

A guest may not stay overnight for more than fourteen (14) consecutive days or fourteen (14) cumulative days in a twelve (12)- month period or GHA will consider the person(s) unauthorized persons in the unit. A family may request an exception to this policy for valid reasons (e.g. care of a relative recovering from a medical procedure is expected to last 40 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

The family must notify the GHA in writing of the children(s) names and timeframes the children(ren) will be in the household if the participant has children who are subject to a joint



custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the unit more than 50 percent of the time.

In making the determination if the person is an unauthorized household member, GHA will consider:

- Statements from Landlord, neighbors and/or GHA staff
- Special Inspection
- Vehicle license plate verification
- Post Office records
- Driver's license verification
- School records
- Law enforcement reports
- Credit reports

## **5.5 Eligibility Process**

Families selected from the waiting list are required to submit a complete Eligibility Packet and all required documents. The family will be sent the Eligibility Packet to their last known address. The packet must be complete in order for eligibility to be determined. Incomplete packets will not be accepted. The family will be given a list of missing documents and the timeframe for submission. Applications are processed based on first complete packet returned to the GHA office.

The family must provide the information necessary to establish the family's eligibility, including criminal background consent, and to determine the appropriate amount of rent the family will pay. The family must also complete required forms, provide required signatures, and submit required documentation. If the documents are not returned complete within the time specified, GHA will determine that the applicant is no longer interested in housing assistance and will be removed from the waiting list. Extensions to the timeframe may be allowed based on documented and verified extenuating circumstances (illness, hospitalization, etc.) and reasonable accommodations.

If the required documents and information are not provided within the required time frame (plus any extensions) the family will be sent a notice of denial. An advocate, interpreter, or other assistant may assist the family with the application and the interview process.



#### 5.5.1 Eligibility Notification

The GHA will notify a family in writing of their eligibility. If the GHA determines that the family is ineligible, the GHA will send written notification of the ineligibility determination. The notice will specify the reasons for ineligibility and will inform the family of its right to request an informal hearing and tenant protections under VAWA.



QUADEL  
CONSULTING

## 5.6 Criminal Background Policy

Links: [24 CFR 5.903](#); [24 CFR 5.905\(d\)](#)

The GHA will perform criminal records checks at application for all adult household members (defined as 18 years of age or older), when porting in to GHA's jurisdiction, when moving to a new unit, when a minor turn 18 or when adding an adult member to the household. The GHA may also perform criminal checks if there is reason to believe the household member(s) may be engaged in criminal activity.

The GHA will conduct criminal records checks that will include a National Criminal History Check. Local/State checks will be conducted where needed. Such checks will also include sex offender registration information. In order to obtain such information, all adult household members must sign consent forms for release of criminal conviction and sex offender registration records on an annual basis.

### 5.6.1 Drug Abuse Treatment Information

Links: [24 CFR 960.205\(f\)](#)

The GHA will obtain information from drug abuse treatment facilities to determine whether any applicant family's household members are currently engaging in illegal drug activity only when the GHA has determined that the family will be denied admission based on a family member's drug-related criminal activity, and the family claims that the culpable family member has successfully completed a supervised drug or alcohol rehabilitation program. The GHA will require the proposed family member sign a consent form for the drug abuse treatment facility to release information.

## 5.7 Duplicative Assistance

Link: [24 CFR 982.352\(c\)](#)

A family may not receive HCV assistance while receiving housing assistance of any of the following assistance types, for the same unit or for a different unit:

- Public or Indian housing assistance
- Other Section 8 assistance (including other participant-based assistance)
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974)
- Section 101 rent supplements

- Section 236 rental assistance payments
- Participant-based assistance under the HOME Program
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration)
- Any local or State rent subsidy
- Section 202 supportive housing for the elderly
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance)
- Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, 'housing subsidy' does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

## **5.8 Absences from the Unit**

Link: [24 CFR 982.312](#)

### **5.8.1 Absent Family Member**

The GHA will compute all applicable income of every family member who is on the lease, including those who are temporarily absent. It is the responsibility of the head of household to report changes in family composition and absences of family members.

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

Generally an individual who is or is expected to be absent from the assisted unit for 3 consecutive months or 90 days or more in a 12 month period of time is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the assisted unit for more than 90 consecutive days is considered permanently absent and no longer a family member.

The family must request GHA approval for the return of any adult family members that the GHA has determined to be permanently absent. The individual is subject to the eligibility requirements stated in this Administrative Plan.

### 5.8.2 Absence of Entire Family

Notice is required when all family members will be absent from the unit for an extended period of time (greater than 30 calendar days). Families are required to give GHA 30 days' notice before moving out of a unit. Absence means that no family member is residing the unit. In order to determine if the family is absent from the unit, the GHA may:

- Conduct a special inspection
- Post letters on exterior door
- Telephone the family at the unit
- Interview neighbors
- Verify if utilities are in service
- Check with the Post Office for forwarding address
- Contact the emergency contact

The family must supply any information or certification requested by the GHA to verify that the family is living in the unit, or relating to family absence from the unit.

If a family is absent from the unit for 180 consecutive days or more the GHA will terminate assistance.

### 5.8.3 Absent Student

When minors and college students who have been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to the GHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

### 5.8.4 Absences Due to Placement in Foster Care

If a child has been placed in foster care, the GHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

If the child(ren) are removed from the home permanently, the unit size will be reduced in accordance with the GHA's occupancy guidelines.

#### 5.8.5 Caretaker for a Child

If neither a parent nor a designated guardian remains in a household receiving assistance, the GHA will take the following actions:

If a responsible agency has determined that another adult is to be brought into the unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.

If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 consecutive days. After the 90 consecutive days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the GHA will extend the caretaker's status as an eligible visitor.

During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify for any deductions from income. If the caretaker is considered a family member, the caretaker must submit an eligibility application, pass all eligibility criteria, and his/her income will be counted as part of the household. Once eligibility is passed, the lease will be transferred to the caretaker as head of household.

#### 5.8.6 Absent Head or Spouse Due to Employment

If an employed head, spouse, or co-head is absent from the unit more than 180 consecutive days due to employment, she/he will continue to be considered a family member.

#### 5.8.7 Individuals Absent (Confined) for Medical Reasons

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member. If there is a question about the status of a family member, the GHA will request verification from a responsible medical professional if the member will be gone less than 90 consecutive days (and up to 180 days after approval of the Section 8 Manager or authorized designee) and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

## **CHAPTER 6: Tenant Rent and Housing Assistance Payment Calculation**

The policies in this chapter reflect the amendments to the HUD regulations, which were implemented by the Quality Housing and Work Responsibility Act of 1998 for the Section 8 Tenant-Based Assistance Program. These amendments became effective on October 1, 1999, which is referred to as the merger date. These amendments complete the merging of the Section 8 Certificate and Voucher Programs into one program, called the Housing Choice Voucher Program.

In accordance with the regulations, for those Section 8 participant families where there is a HAP Contract in effect entered into prior to October 1, 1999, the PHA will continue to uphold the rent calculation methods of the pre-merger Regular Certificate, (OFTO,) and Voucher tenancies until the 2nd regular reexamination of family income and composition following the merger date. However, all new leases, moves and new admissions taking effect on or after October 1, 1999 will be subject to the regulations of the new Housing Choice Voucher Program.

The PHA will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the PHA's responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparables in the rental market, using the criteria specified in 24 CFR 982.507(b.) This Chapter explains the PHA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

### **6.1. Rent To Owner**

The Rent to Owner is limited only by rent reasonableness. The PHA must demonstrate that the Rent to Owner is reasonable in comparison to rent for other comparable unassisted units. The only other limitation on rent to owner is the maximum rent standard at initial occupancy (24 CFR 982.508). At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, whether it is a new admission or a move to a different unit, the family share may not exceed 40 percent of the family's monthly-adjusted income. However, due to the subsidy contributions by the PHA in its mixed-finance developments, there shall be no rent paid by the tenant which exceeds the housing assistance payment in order to maintain the goal of 49% of unassisted units at the sites formerly known as Magnolia Homes and Cedar Terrane. During the initial term of the lease, the owner may not raise the rent to owner.

### **6.2 Making Payments to Owners**

24 CFR 982.451

Once the HAP Contract is executed, the PHA begins processing payments to the landlord. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. Checks are

disbursed by the Finance Department to the owner each month. Checks are mailed, and if feasible direct deposit.

Checks that are not received will not be replaced until a written request has been received from the payee and a stop payment has been put on the check.

#### 6.2.1 Excess Payments

The total of rent paid by the tenant plus the PHA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the PHA. Owners of the mixed-finance developments located at the sites formerly known as Magnolia Homes and Cedar Terrace may not accept any additional rent from the tenant without the consent of GHA.

Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to the PHA" chapter of this Administrative Plan.

#### 6.2.2 Late Payments to Owners

It is a local business practice in GHA'S jurisdiction for property managers and owners to charge tenants a reasonable late fee for rents not received by the owner or property manager by the due date, notwithstanding any grace period which is typically 5 days past the first of the month. Therefore, in keeping with generally accepted practices in the local housing market, the PHA must make housing assistance payments to the owner promptly and in accordance with the HAP contract.

Proof of "mailed date" will be the: Date the HAP Register was run

Date of receipt of mailing from the Post Office

Proof of "Received by Owner" will be: 5 calendar days after date of mailing by PHA

To assist the PHA in its outreach efforts to owners, and to provide better customer service, the PHA will offer to make automatic monthly HAP deposits into the bank account of the owner for no extra charge. If the owner agrees to such an arrangement with the PHA, the date the bank shows as the deposit date will be the official date of record and will be the determining factor in cases involving late payment penalty.

The PHA will not be obligated to pay any late payment penalty if HUD determines that late payment is due to factors beyond the PHA's control, such as a delay in the receipt of program funds from HUD.

The PHA will use administrative fee income or the administrative fee reserve as its only source for late payment penalty. The PHA will not use any program funds for the payment of late fee penalties to the owner.

### 6.3 Rent Reasonableness Determinations

24 CFR 982.507



The PHA will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs.

The PHA will not approve a lease until the PHA determines that the initial rent to owner is a it is more than 12 months old.

## **6.4 Payment Standards for all Voucher Programs**

24 CFR 982.503

The Payment Standard is used to calculate the housing assistance payment for a family. Payment Standards are based on gross rent estimates as approved by HUD and published as Fair Market Rents. Each Housing Authority, in order to better serve its participants, defines payment standards based on housing needs and goals. By regulation, housing authorities have the right to define the payment standard as a percentage over or under the FMR, generally 90-110%. Payment standards outside the proscribed range must be approved by HUD and deemed necessary for local housing priorities.

GHA passes payment standards each year, and as needed, to assist in the de-concentration of poverty as mandated by HUD and by Board policy. Using the same data as HUD, GHA determines the poverty concentration of each census tract in Galveston. Any census tract with a poverty rate lower than 20% is identified as a favorable neighborhood and receives a 110% designated payment standard. This may enable families to move into identified "Neighborhoods of Opportunity." Census tracts with a poverty rate higher than 20% will be identified as less favorable and will have a designated payment standard set at 90% of the FMR. The GHA may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities.

### **6.4.1 Adjustments To Payment Standards**

24 CFR 982.503

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. The PHA will not raise Payment Standards solely to make "high end" units available to Voucher holders, including the market its within its mixed-financed developments located at sites formerly known as Magnolia Homes and Cedar Terrace in order to maintain the goal of 49% of unassisted units. The PHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

### **6.4.2 Assisted Families' Rent Burdens**

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

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

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

#### 6.4.3 Quality of Units Selected

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

#### 6.4.4 PHA Decision Point

The GHA will review the average percent of income that families on the program are paying for rent. If more than 40% of families are paying more than 30% of monthly adjusted income for a particular unit size, the GHA will determine whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUDs HOS and any additional standards added by the PHA in this Administrative Plan.

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

#### 6.4.5 Rent to Owner Increases

The GHA may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

#### 6.4.6 Time to Locate Housing

The GHA may consider the average time period for families to lease up under the Voucher program. If more than 60% of Voucher holders are unable to locate suitable housing within the term of the voucher and the GHA determines that this is due to 70% of rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

#### 6.4.7 Lowering of the Payment Standard

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD. Financial Feasibility

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

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

#### 6.4.8 File Documentation

A file will be retained by the PHA for at least three years to document the analysis and findings to justify whether or not the Payment Standard was changed.

#### F. Exception Payment Standards

If the dwelling unit is located in an exception area, the PHA must use the appropriate payment standard amount established by the PHA for the exception area in accordance with regulation 24 CFR 982 .503.

### 6.5 Owner Payment in the Pre-Merger Regular Certificate Program

24 CFR 982.502(d)]

The HUD regulations relating to owner rent adjustments applicable to the Regular Tenancy Program will be used until the HAP Contract is no longer effective which will be no later than the second regular reexamination of the family after the merger date. Here is where we insert information about the Rent Adjustments for these contracts.

The PHA (will/will not) notify owners of their right to request a rent adjustment.

Owners must request the rent increase In writing. Any increase will be effective the later of (1) the anniversary date of the Contract, or (2) at least 60 days after the owners request is received. The approval or disapproval decision regarding the adjustment will be based on HUD-required calculations and a rent reasonableness determination. The adjustment may be an increase or a decrease.

The notice of rent change does not affect the automatic renewal of the lease and does not require a new lease or contract or even an executed amendment.

For terminations of Premerger Regular Certificate HAPS, see "Contract Terminations" chapter.

### 6.6 Owner Payment in the Pre-Merger Over Fair Market Rent Tenancy

(OFTO) AND VOUCHER PROGRAMS [24 CFR 982.e02(b)

The HUD regulations relating to owner rent adjustments applicable to the Over Fair Market Rent Tenancy Program will be used until the HAP Contract is no longer effective which will be no later than the second regular reexamination of the family after the merger date.

### 6.6.1 Payments in Mixed-Finance Developments

It is the desire of GHA to maintain 49% of unassisted units in the mixed-finance developments located at the sites formerly known as Magnolia Homes and Cedar Terrace. In order to achieve this goal, the GHA subsidy contribution shall not exceed 51% in the mixed finance developments located at the sites formerly known as Magnolia Homes and Cedar Terrace. Additionally, there shall be no payment of additional rent made by the tenant in the mixed finance developments known as Magnolia Homes and Cedar Terrace. The Owners of these developments may not accept a tenant contribution should the rent amount exceed the amount of the tenant based voucher without the prior consent of GHA.

## 6.7 Definition of Income

Link: [24 CR 5.609\(b\)](#)

GHA uses HUD's definition of Annual Income. Should this definition be revised, the current HUD definition will be used. Annual income includes all amounts received from all sources by each member of the family who is 18 years of age or older, the head of household, or spouse of the head of household, in addition to unearned income received by or on behalf of each dependent who is under 18 years of age. Annual income does not include amounts specifically excluded in paragraph (b) of 24 CFR § 5.609. See **Appendix A** (at end of Chapter or Amin Plan): Income Exclusions.

All amounts received by the head of household, co-head, or spouse, including the income of a day laborer, independent contractor, and seasonal worker are included in annual income regardless of age, unless otherwise excluded in paragraph (b) of 24 CFR § 5.609.

Annual income also includes all actual anticipated income from assets even if the asset is excluded from net family assets but the income from the asset is not otherwise excluded. Annual income will include the income from assets, if known, for total family net assets less than \$50,000 (an amount to be adjusted annually by HUD). Imputed returns on net family assets are included in annual income only when net family assets exceed \$50,000 (an amount that HUD will annually adjusted for inflation) and actual asset income cannot be calculated for all assets.

### 6.7.1 Earned Income

Link: 24 CFR § 5.100

Earned Income is defined as means income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income

received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.

#### 6.7.2 Unearned Income

Unearned income means any annual income, as calculated under 24 CFR § 5.609, that is not earned income.

#### 6.7.3 Non-recurring Income

Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies. The list of exclusions is codified at 24 CFR § 5.609(b)(24) as nonrecurring income.

### 6.8 Earned Income Disallowance (EID) Policy

Link: [24 CFR 5.617](#)

The following provision of 6.2 EID Policy expired on January 1, 2024. Families enrolled in the EID policy on or before December 31, 2023 will be allowed to complete the income phase in periods pursuant to the provisions below.

This disallowance applies only to disabled family members already participating in the housing choice voucher program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who was previously unemployed for one or more years prior to employment.
- Increased earnings by a family member whose earnings increase during participation in an economic self-sufficiency or job-training program.
- New employment or increased earnings by a family member who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months.

The baseline income is the annual income immediately prior to the implementation of the disallowance for a person who is a member of a qualified family. The family member's baseline (qualifying) income remains constant throughout the period that he/she is receiving the EID.

### 6.8.1 Disallowance of Earned Income

Link: [24 CFR §5.617](#), [960.255](#); [PIH Notice 2016-05](#)

Initial 12-month exclusion: During the 12-month period beginning on the date on which a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the GHA will exclude from the annual income of a qualified family the full amount of any increase in the income of the family member as a result of employment over the baseline income of that family member.

Phase-in of rent increase: Upon the expiration of the 12-month period and for the subsequent 12-month period, the GHA will exclude from the annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income.

Maximum 2-year disallowance: The disallowance of increased income of an individual family member is limited to a lifetime 24-month period. It applies for a maximum of 12 months for disallowance (initial 12 months) and a maximum of 12 months (second 12 months), during the 24-month period starting from the initial exclusion.

Families eligible for and participating in the disallowance of earned income prior to May 9, 2016 will continue to be governed by HUD regulations in effect immediately prior to that date. Those procedures are stated in the GHA Management Procedure.

## 6.9 Self-Employment Income

Link: [24 CFR 5.609\(b\)\(2\)](#)

Gross income received through self-employment or operation of a business; with the exception of the following which is considered income:

- Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness will not be 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 IRS regulations; and
- Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.



Note: gross income is the total income that a business brings in and is not reflective of the costs of operating a business or of being self-employed.

#### 6.9.1 Co-Owned Businesses

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

### 6.10 Assets

Link: [24 CFR 5.609\(b\) and \(c\)](#)

Net family assets are defined as the net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of investment, except as excluded. See **Appendix B** (at end of Chapter or Amin Plan): Asset Exclusions.

Effective upon the GHA HOTMA Compliance Date, if the Household has net assets valued in excess the maximum amount currently set at \$50,000 (to be adjusted annually by HUD), the annual income will include the greater of the actual income derived from all assets or a percentage of the value of such assets based on the current passbook savings rate as determined by HUD.

#### 6.10.1 Jointly Owned Assets

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

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

#### 6.10.2 Disposed Assets

In determining net family assets, the GHA includes 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. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be for less than fair market value if the applicant or tenant receives consideration not measurable in dollar terms. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

Families must sign a declaration form at initial certification and each annual re-certification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value.

#### 6.10.3 Asset owned by business entity.

If a business entity (e.g., limited liability company or limited partnership) owns the asset, then the family's asset is their ownership stake in the business, not some portion of the business's assets. However, if the family holds the assets in their own name rather than in the name of a business entity, then the percentage value of the asset owned by the family is what is counted toward net family assets.

#### 6.10.4 Necessary and Non-Necessary Personal Property

Link: 24 CFR § 5.603

Effective upon the GHA HOTMA Compliance Date, necessary personal property is excluded from net family assets. Non-necessary personal property with a combined value greater than \$50,000, (amount to be adjusted by HUD annually), is considered part of net family assets. When the combined value of all non-necessary personal property does not exceed the annual maximum amount, all non-necessary personal property is excluded from net family assets.

Necessary personal property are items essential to the family for the maintenance, use, and occupancy of the premises as a home; or they are necessary for employment, education, or health and wellness. Necessary personal property includes more than merely items that are indispensable to the bare existence of the family. It may include personal effects (such as items that are ordinarily worn or utilized by the individual), items that are convenient or useful to a reasonable existence, and items that support and facilitate daily life within the family's home. Necessary personal property also includes items that assist a household member with a

disability, including any items related to disability-related needs, or that may be required for a reasonable accommodation for a person with a disability. Necessary personal property does not include bank accounts, other financial investments, or luxury items.

#### 6.10.5 Trusts as Net Family Assets

Link: 24 CFR §§ 5.603 and 5.609

The value of irrevocable trusts and revocable trusts that are not under the control of the family are both excluded from net family assets.

Revocable trust that is under the control of the family or household (e.g., the grantor is a member of the assisted family or household) is included in net family assets, and, therefore, income earned on the trust is included in the family's income from assets.

GHA will calculate imputed income on the revocable trust if net family assets are more than \$50,000, as adjusted by inflation, and actual income from the trust cannot be calculated (e.g., if the trust is comprised of farmland that is not in use)

#### 6.10.6 Trust Distributions and Annual Income

If the value of the trust is considered part of the family's net assets, then distributions from the trust are not considered income to the family. If the value of the trust is not considered part of the family's net assets, then distributions from the trust are treated as follows:

- All distributions from the trust's principal are excluded from income.
- Distributions of income earned by the trust (i.e., interest, dividends, realized gains, or other earnings on the trust's principal), are included as income unless the distribution is used to pay for the health and medical expenses for a minor.

#### 6.10.7 Excluded Assets

The following are examples of excluded assets excluded. The full list of exclusions is provided in **Appendix B, Excluded Assets**. If the family owns an excluded asset, its value does not count toward the restriction due to net family assets.

- Necessary items of personal property (such as Medical devices, vehicle for commute)
- Non-necessary items of personal property if the combined total value does not exceed \$50,000 (amount to be adjusted annually)
- Retirement account recognized by IRS
- Real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located

- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member, for an incident resulting in a disability
- The value of certain education or disability support savings accounts
- Income earned on amounts placed in a family's FSS account.

## 6.11 Lump Sum Payments

Most lump sum amounts received by a family are not counted as income. However, payments caused by delays in processing periodic payments for unemployment or welfare assistance are included as income. In such cases where lump sum payments are considered income pursuant to 24 CFR 5.609, the GHA will follow the following methodology.

### 6.11.1 Prospective Calculation Methodology

If the payment is reported on a timely basis, the calculation will be done prospectively and will result in an interim adjustment calculated as follows:

The entire lump-sum payment will be added to the annual income at the time of the interim.

The GHA will determine the percent of the year remaining until the next annual re-certification as the date of the interim (three months would be 25% of the year).

At the next annual re-certification, the GHA will apply the percentage balance (75% in this example) to the lump-sum and add it to the rest of the annual income.

The lump-sum will be added the same way for any interims which occur prior to the next annual re-certification.

If amortizing the payment over one year will cause the family to pay more than current HUD percentage of the family's adjusted income (before the lump sum was added) for total participant payment, the GHA and family may enter into a repayment agreement for the balance of the amount of the current HUD percentage calculation. The beginning date for this repayment agreement will start as soon as the one year is over.

### 6.11.2 Retroactive Calculation Methodology

The GHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer.

The GHA will determine the amount of income for each re-certification period, including the lump sum, and re-calculate the participant rent for each re-certification period to determine the amount due the GHA.

The family has the choice of paying this retroactive amount to the GHA in a lump sum. At the GHA's option, the GHA may enter into a repayment agreement with the family

The amount owed by the family is a collectible debt even if the family becomes unassisted.

### 6.11.3 Attorney Fees

The family's attorney's fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

## 6.12 Excluded Income

Link: [24 CFR 5.609\(c\)](#)

The following are types of excluded income. The full list of exclusions are provided as **Appendix A, Excluded Income**:

- Earned income of children (including foster children) under the age of 18 years
- Earned income of dependent full-time students in excess of the amount of the deduction for a dependent.
- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the family, who are unable to live alone);
- Income of foster child or foster adult
- 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
- Income and distributions from any Coverdell educational savings account or any qualified tuition program under IRS sections 529 and 530
- Income earned by government contributions to, or distributions from "baby bond" accounts created, authorized, or funded by federal, state, or local government.
- 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).
- Income of a live-in aide, as defined [in 4 CFR §5.403](#);
- Reimbursements for Health and Medical Care Expenses. Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member.
- Insurance payments and settlements for personal or property loss including, but not limited to: payments through health insurance, motor vehicle insurance, and workers' compensation.
- Income received from any account under an IRS-recognized retirement plan. However, any distribution of periodic payments from these accounts shall be income at the time they are received by the family.

- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire
- Payments related to aid and attendance for veterans under 38 U.S.C. 1521.
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family having a disability.
- Deferred periodic amounts from supplemental security income and Social security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts
- 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
- Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs. That includes assistance under any program to which the exclusions set forth in [24 CFR 5.609\(c\)](#) apply

#### 6.12.2 Income from Training Programs

Incremental earnings and benefits from training programs funded by HUD or qualifying federal, state, tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff.

Excluded amounts must be received under employment training programs with clearly defined goals and objectives and only excluded during participation in the program unless the amounts are excluded as Federal Financial Aid (§ 5.609(b)(9)(i)).

#### 6.12.3 Student Financial Assistance (24 CFR 5.609(9)(i), (ii))

##### **Title IV HEA Assistance**

Any assistance that section 479B of the Higher Education Act of 1965, as amended (20 U.S.C. 1087uu), requires to be excluded from a family's income including Bureau of Indian Affairs or Department of Education student assistance programs. These amounts are only excluded up to the cost that covers tuition and other required fees in Section 8 households if the student is the head of household or that person's spouse.

##### **Other Student Financial Assistance**

Student financial assistance, not excluded under the HEA for "actual covered costs" of higher education paid directly to the student or to the educational institution on the student's behalf.

#### 6.12.4 State Payments to Allow Individuals with Disabilities to Live at Home

These payments must be made by or authorized by a state Medicaid managed care system or other state agency (includes: state Medicaid-managed care system, other state agency, or authorized entity) to a family to enable a family member who has a disability to reside in the family's assisted unit.

### 6.13 Deductions from Income

Link: [24 CFR 5.611](#)

#### 6.13.1 Dependent and Elderly Family Deduction

##### Dependent Deduction

The dependent deduction amount is \$480 (2024). HUD will adjust this amount annually (and applies to a family's next annual or interim reexamination after the annual adjustment, whichever is sooner.

##### Elderly/Disabled Family Deduction

Effective on the GHA HOTMA Compliance Date, the elderly/disabled family deduction increases from \$400 to \$525 and applies to a family's next interim or annual reexamination, whichever is sooner. HUD will adjust this amount annually.

#### 6.13.2 Health and Medical Care Expense

Health and medical care expenses, as defined in 24 CFR § 5.603, include costs incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed. Medical insurance premiums continue to be eligible health and medical care expenses.

The sum of unreimbursed health and medical care and reasonable attendant care and auxiliary expenses that exceed 3 percent (which will increase to 10% effective on the GHA HOTMA Compliance Date) of the elderly or disabled family's annual income can be deducted from annual income.

#### 6.13.3 Attendant Care and Auxiliary Apparatus Expenses

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



the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the GHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

The GHA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the GHA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the GHA will consider, the family's justification for costs that exceed typical costs in the area.

In order to claim the deduction for the cost of unreimbursed reasonable attendant care and auxiliary apparatus expenses, the family must include a person with a disability, and the expenses must enable any member of the family (including the member who is a person with a disability) to be employed. If the unreimbursed reasonable attendant care and auxiliary apparatus expense exceeds the amount earned by the person who was enabled to work, the deduction will be capped at the amount earned by that individual.

#### 6.13.4 Both Medical and Disability Expenses

This policy applies only to families in which the head, spouse, or co-head is 62 or older or is a person with disabilities. When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the GHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family's request, the GHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work. When the GHA determines that the disability assistance expenses enable more than one family member to work, the disability assistance expenses will be capped by the sum of the family members' incomes.

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the



apparatus itself) is an eligible expense. The cost-of-service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

#### 6.13.5 Childcare

Child care is allowed as a deduction from income for children less than 13 years of age. The family must identify the family member(s) enabled to pursue an eligible activity: seeking work, pursuing an education or being gainfully employed.

##### *6.13.5.1 Allowable Child Care Activities and Expenses*

For school-age children under 13 years of age, costs attributable to public or private school activities during standard school hours are not considered allowable childcare expenses. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of childcare.

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

If a childcare provider also renders other services to a family or childcare is used to enable a family member to conduct activities that are not eligible for consideration, the GHA will prorate the costs and allow only that portion of the expenses that is attributable to childcare for eligible activities. Unless otherwise specified by the childcare provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

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

For childcare that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

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

#### *6.13.5.2 Seeking Work*

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

#### *6.13.5.3 Furthering Education*

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

#### *6.13.5.4 Being Gainfully Employed*

If the childcare 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.

When the childcare expense being claimed is to enable a family member to work, only one family member's income will be considered for a given period of time. When more than one family member works during a given period, the GHA generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

### **6.14 Prior Year Income**

Effective upon the GHA HOTMA Compliance Date, the GHA will use the prior year income received by the family to determine household annual income at the annual recertification (unless using the streamline income determination for sources of fixed income). HUD defines the prior year income as the income received during the preceding 12 months. GHA will review any change of income since the family's last annual reexamination, including those that did not meet the threshold to process an interim reexamination of family income, and non-recurring income when determining prior year income.

## 6.15 Anticipated Income

The GHA currently uses Anticipated Income to determine annual income for all household income determinations. Effective upon the GHA HOTMA Compliance Date, for the purposes of initial eligibility, new admission and interim recertifications, the GHA will use current income to anticipate the annual household income. In such cases, the GHA will review and analyze current data to anticipate annual income.

Any time current circumstances are not used to project annual income, the decision will be documented in the file. In all such cases the family may present information and documentation to the GHA to show why the historic pattern does not represent the family's anticipated income.

## 6.16 Total Tenant Rent and HAP

Links: [24 CFR 5.628](#); [5.630](#); [5.634](#)

GHA follows HUD regulations for determining the family's portion of rent and the HAP subsidy to the owner.

### Total Tenant Payment is the higher of:

- 30% of adjusted monthly income; or
- 10% of monthly income;
- Not less than the Minimum Rent of \$50
  - The GHA will waive minimum rent for families with a VASH voucher

### Tenant Rent

- Tenant rent is calculated by subtracting the utility allowance for participant supplied utilities (if applicable) from the Total Tenant Payment.
- Where the owner pays for all utilities and provides the stove and refrigerator, Tenant Rent equals Total Tenant Payment.

### Rent to Owner

Rent to owner is the greater of:

- The Payment Standard less the Housing Assistance Payment; or
- The Gross Rent less the Housing Assistance Payment
- Minimum rent

## 6.17 Utility Allowances and Utility Reimbursements

Link: [24 CFR 982.517](#); [Notice PIH 2016-05](#)

GHA maintains a Utility Allowance Schedule which is used in the housing assistance payment calculation to assist with the cost of utilities not included in the rent. The utility allowance calculation is based on the lower of:

- The voucher unit size based on GHA subsidy standards
- The size of the actual unit leased by the family
- In the case of a reasonable accommodation, GHA will use utility allowance for the unit size actually leased by the family

When the utility allowance exceeds the family's Total Participant Payment, GHA will provide the family a utility reimbursement payment.

An allowance for participant paid air conditioning will be calculated when central air-conditioning or a portable air conditioner is present in the unit.

GHA will review the utility allowance schedule annually and revise it when needed. Revised utility allowances will be applied in a family's rent calculation at the next annual re-certification.

The GHA has the option of making utility reimbursement payments not less than once per calendar-year quarter, for reimbursements totaling \$45 or less per quarter. In the event a family leaves the program in advance of its next quarterly reimbursement, the GHA will reimburse the family for a prorated share of the applicable reimbursement.

GHA may make reimbursement payments retroactively or prospectively. In the event that GHA chooses to make the reimbursement payments retroactively, GHA will allow a family to request a hardship exemption from the quarterly payments if it results in a financial hardship for the family. If a family receives a hardship exemption, then the GHA may either reimburse the family on a monthly basis or it may make prospective payments to the family, on a quarterly basis.

GHA also has the option to provide the utility reimbursement payment directly to the utility company on behalf of the family.

## 6.18 Hardship Exemptions

Link: [24 CFR 5.630](#)

#### 6.18.1 Health and Medical Care Expense Hardship

Effective upon the GHA HOTMA Compliance Date, if the change of medical, disability and disability apparatus expense threshold from an amount exceeding the threshold of three percent (3%) to ten percent (10%) of the family annual income for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses causes the elderly or disabled family (medical and disability expense) or family with a disabled member (disability apparatus expense) to experience a financial. This hardship is specifically for families that previously (last recertification) were using the deduction threshold of 3%.

The hardship remedy will be phased in as follows:

- The family will receive an initial hardship deduction totaling the sum of medical/attendant care and auxiliary apparatus expense that exceed 5 percent of annual income.
- Twelve months after the hardship is provided, the family must receive a deduction totaling the sum of expenses that exceed 7.5 percent of annual income.
- Twenty-four months after the initial hardship is provided, the family must receive a deduction totaling the sum of expenses that exceed ten percent of annual income.

#### 6.18.2 General Financial Hardship

Effective upon the GHA HOTMA Compliance Date, to receive general relief, an elderly or disabled family or a family that includes a person with disabilities must demonstrate that the family's unreimbursed health and medical care expenses or unreimbursed reasonable attendant care and auxiliary apparatus expenses increased, or the family's financial hardship is a result of a change in circumstances that would not otherwise trigger an interim reexamination. Examples of circumstances constituting a financial hardship may include the following situations:

- The family is awaiting an eligibility determination for a federal, state, or local assistance program, such as a determination for unemployment compensation or disability benefits;
- The family's income decreased because of a loss of employment, death of a family member, or due to a natural or federal/state declared disaster; or
- Other circumstances as determined by the GHA

The hardship remedy for this provision is the deduction of expenses exceeding 5% of their annual income for the sooner of 90 days or when the circumstances end. The GHA may, at their discretion, extend the relief for one or more additional 90-day periods while the family's hardship continues.

Families must report to the GHA when the circumstances that made the family eligible for the hardship exemption are no longer applicable.

#### 6.18.3 Hardship for loss of Childcare Expense

A family whose eligibility for the childcare expense deduction is ending may request a financial hardship to continue the childcare expense deduction. The GHA will recalculate the family's adjusted income and continue the childcare deduction if the family demonstrates that they are unable to pay their rent because of loss of the childcare expense deduction, and the child care expense is still necessary even though the family member is no longer employed or furthering his or her education. For purposes of this hardship exemption, the inability to pay rent is defined as the current tenant portion with monthly qualified expense is greater than 40% of family income.

The hardship exemption and the resulting alternative adjusted income calculation must remain in place for a period of up to 90 days but may extend such hardship exemptions for additional 90-day periods based on family circumstances. Families receiving a Hardship exemption for Childcare expense must report to the GHA when the circumstances that made the family eligible for the hardship exemption are no longer applicable.

#### 6.18.4 Minimum Rent Hardship Exemptions

Link: [24 CFR 5.630](#)

Participants in the housing choice voucher program are eligible for the hardship exception to minimum rent if they meet at least one of the following criteria:

- The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent. For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following: (1) implementation of assistance, if approved; or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances. To make a claim under this hardship exemption, the family must provide GHA with proof of application for assistance, or termination of assistance. The proof would be provided by the agency responsible for granting assistance or terminating assistance.



- The family would be evicted because it is unable to pay the minimum rent. For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent or participant-paid utilities. The family must be able to document inability to pay the minimum rent at the time of the request
- The family income has decreased because of changed family circumstances, including the loss of employment. To make a claim under this criteria the loss of employment must not be the result of failure to meet employment requirements by the participant. Changed circumstance as defined in this section includes, but is not limited to:
  - Reduction in work hours
  - Reduction in pay rate
  - Reduction in work force
- If a death has occurred in the family. In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income). The deceased family member must be an income producing member of the household, which contribute to the 30% of income used to calculate the participant's rent.

To make a claim under these provisions the applicant or participant must submit a request, in writing, to the GHA office. The applicant/participant must provide documentation to support the request for a hardship exemption.

- The GHA will make the determination of hardship within 30 calendar days.
- The GHA will require the family to repay the suspended amount within 30 calendar days of the GHA's notice that a hardship exemption has not been granted. The GHA will enter into a repayment agreement in accordance with the GHA's repayment agreement policy.
- If the GHA determines that a qualifying financial hardship is temporary, the GHA will reinstate the minimum rent from the beginning of the first of the month following the date of the family's request for a hardship exemption.

The GHA defines temporary hardship as a hardship expected to last 90 consecutive days or less. Long term hardship is defined as a hardship expected to last more than 90 consecutive days.

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



- At an interim or annual re-certification, the family's calculated TTP is greater than the minimum rent.
- For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost.
- For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.



QUADEL  
CONSULTING

## **CHAPTER 7: Request for Tenancy Approval and Leasing**

After families are issued a voucher, they may search for a unit within the jurisdiction of GHA, or outside of GHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments (HAP) contract with GHA within the time frame listed on the voucher.

### **7.1 Voucher Briefing**

When eligibility has been determined, the GHA will conduct a mandatory briefing to ensure that families understand how the program works. The briefing will provide a broad description of owner and family responsibilities, GHA procedures and how to lease a unit. The family will also receive a briefing packet, which provides more detailed information about the program, including the benefits of moving outside areas of poverty and minority concentration.

The GHA may conduct briefings telephonically, via video-teleconferencing, or through other virtual platforms provided that the family has not requested in-person briefing. Prior to scheduling a remote program briefing, the GHA will survey the family to determine if technology barriers exist that would limit the family's ability to participate in the briefing. If the participant does not have proper technology access, then the remote briefing will either be postponed until the GHA can resolve the access issue(s), or an in-person alternative will be provided.

If the family cannot attend the originally scheduled briefing the family must notify the GHA before the scheduled briefing. If the family fails to attend a briefing twice without "good cause", they will be denied admission to the Section 8 Housing Choice Voucher Program. Families unable to attend a briefing due to a disability may request reasonable accommodation.

Good cause is defined by the GHA as having reasons beyond the family's reasonable control including disability-related needs of a household member with disabilities; required attendance at legal proceeding; or health or safety risk due to being a victim of domestic violence, dating violence, sexual assault, or stalking.

Briefings will be conducted in English. For Limited English proficient (LEP) applicants, the GHA will provide translation services in accordance with the LEP Access Guide as needed. GHA follows HUD regulations 24 CFR 982.301 regarding information presented at the briefing and information.

### **7.2 Information to Owners**

Link: [24 CFR 982.307\(a\)\(112\); \(b\)\(1\)](#)

It is the responsibility of the owner to determine the suitability of prospective families as the GHA does not screen for suitability as participants. Owners are encouraged to screen applicants for rent payment and eviction history, credit history, prior rental references and damage to units, and other factors related to the family's suitability as a renter. Owners may not discriminate based on race, religion, sex, color, national origin, disability, sexual orientation, gender identity or familial status.

If requested by an owner, GHA will provide any of the following information in writing regarding a family's tenancy history, based on existing documentation relating to:

- Previous owner name, address and phone number
- Current owner name, address and phone number

GHA's policy on providing information to owners is included in the briefing packet and will apply uniformly to all families and owners. GHA will make an exception to this policy if the family's whereabouts must be protected due to domestic abuse or witness protection, and the protection requirements are documented.

### **7.3 Allowable Housing Types**

Link: [24 CFR 982.601\(b\)\(2\)](#)

The following types of rental units may be leased in the Housing Choice Voucher program, unless designated otherwise:

- Single family detached homes
- Duplexes
- Multi-plexus
- Garden apartments
- Condominiums, townhouses
- High-rises
- Manufactured homes where the tenant leases the mobile home and the pad
- Manufactured homes where the tenant owns the mobile home and leases the pad
- Other multi-family rental housing structures

The following types of housing are not permitted in the HCV program:

- Hotels
- Motels
- Nursing homes
- College or school dormitories

- Other types disallowed by HUD regulations
- Unit occupied by its owner or a person with any interest in the dwelling unit
- Unless its lease was effective prior to June 17, 1998, a family may not lease a property owned by relatives, i.e.: sister, brother, mother, father, spouse, son, daughter, grandmother, grandfather

GHA may permit use of any of the following types of special housing if needed as a reasonable accommodation for a person with disabilities:

- Independent Group Residences,
- Congregate Housing,
- Single Room Occupancy Facilities

## 7.4 Request for Tenancy Approval (RFTA)

Link [24 CFR 982.352\(2\)](#); [982.305](#) & [308](#) & [309](#); [982.401](#); [982.507](#) & [508](#); [982 Subpart M](#); [Form HUD-52517](#)

Before a family leases a unit, GHA must approve the unit selected by the family. The voucher holder and the owner/landlord must submit the following:

- Complete RFTA, signed by both the family and the owner, including:
  - Dwelling lease
  - Proof of ownership of the unit to be leased (e.g. deed of trust, most recent year tax statement, warranty deed and management agreement, if applicable);
  - The Owner's EIN or social security number;
  - A W-9 form completed by the owner.
  - If the property is in a corporation, the names of all parties
  - Current street mailing address, Post Office Box addresses will not be accepted
  - Business and home telephone number
  - For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

The RFTA and all associated documents must be submitted in the manner prescribed by the GHA. The family may submit only one RFTA at a time. When the family submits the RFTA the GHA will review the RFTA for completeness. If the RFTA is incomplete (including lack of signature by family, owner, or both), or if the dwelling lease is not submitted with the RFTA, the GHA will notify the family and the owner.

### 7.4.1 Tenancy Addendum

Link: [24 CFR 982.308](#); [HUD Form 52641](#)

The owner must use the HUD Tenancy Addendum or all provisions in the HUD-required Tenancy Addendum must be added to the owner's lease. If there is a conflict between the owner's lease and the Tenancy Addendum, the terms of the Tenancy Addendum will prevail over any other provisions of the lease.

### 7.4.2 Dwelling Lease

Link: [24 CFR 982.308\(d\)](#)

When the RFTA and proposed lease are submitted, the GHA will review the terms of the RFTA for consistency with the terms of the proposed lease. If the terms of the RFTA are not consistent with the terms of the proposed lease, the GHA will notify the family and the owner of the discrepancies. The proposed lease must comply with HUD requirements, as well as State and local law. The GHA does not provide a model or standard dwelling lease for owners to use in the HCV program.

- Owners that use a standard lease for units rented to unassisted families must use the same lease, plus the HUD prescribed tenancy addendum for HCV assisted families.
- GHA will review the owner's lease, any optional charges, compliance with regulations, and any house rules.
- Responsibility for utilities, appliances and optional services must correspond to those provided on the RFTA.
- The initial lease term must be for one year.
- The owner must be approved and there must be no conflicts of interest (e.g. owner may not be a relative, etc.).

#### 743.2.1 New Lease Required

- If there are any changes in lease requirements governing tenant or owner responsibilities for utilities or appliances;
- If there are any changes in lease provisions governing the term of the lease;
- If the family moves to a new unit, even if the unit is in the same building or complex.

## 7.5 Voucher Term

Link: [24 CFR 982.303\(a\)](#)

The initial voucher term is 90 calendar days. The family must submit a Request for Tenancy Approval that is complete and a proposed lease within the 90-day period unless the GHA grants an extension.

Families with the Veterans Affairs Supportive Housing (VASH) and Foster Youth Initiative (FYI) will be issued voucher with 120 day term.

#### 7.4.1 Voucher Extensions

Link: [24 CFR 982.303\(b\)](#)

Due to low vacancy rates and to increase leasing success rates, requests for extensions may be submitted to GHA verbally or in writing prior to the expiration of the voucher term. If the request is received verbally, GHA will record the request in the applicant/participant file with: date of request, name of requestor, reason for request and GHA staff name. Extensions are permissible at the discretion of the GHA up to a maximum of an additional 90 days. The maximum time limit on the voucher term (including extensions) is 90 days, except when a reasonable accommodation is granted for persons with disabilities or to find new housing when an assisted household has to be divided as a result of the violence or abuse covered by VAWA.

GHA is not obligated to grant an extension, but may consider any of the following circumstances in its decision:

- Extenuating circumstances such as hospitalization or a family emergency for an extended period of time, which has affected the family's ability to find a unit within the initial sixty-day period. Verification may be required.
- The current housing market

The GHA will promptly decide whether to approve or deny an extension request and will notify the family of its decision and notate the extension date in the applicant/participant file.

Notwithstanding the above, VASH and FYI voucher families will receive a voucher extension of 90 days upon request prior to the expiration of the initial voucher term. GHA will notify the applicant prior to the initial term expiration, to remind them of the term expiration date and the process for requesting an extension of the initial term, and to inquire if the applicant is in need of assistance with their housing search.



#### 7.4.2 Voucher Suspension

The GHA will suspend the term of the voucher from the date a complete Request for Tenancy Approval and proposed lease is accepted by the GHA until the date the GHA makes a final determination with respect to that Request for Tenancy Approval. If the family chooses to cancel the Request for Tenancy Approval (RTA), the term of the voucher will be reinstated the date the GHA receives notice the RTA is cancelled by the family.

### 7.6 Subsidy Standards

Link: [24 CFR 982.401\(d\)](#)

GHA does not determine who shares a bedroom or sleeping room. The unit size on the voucher remains the same if the family composition remains the same, regardless of the actual unit size rented.

#### 7.5.1 Subsidy Standards

Link: [24 CFR 982.402](#)

GHA will issue a voucher for a particular bedroom size. The bedroom size is a factor in determining the family's level of assistance. The following guidelines will determine each family's unit size without overcrowding or over-housing.

The living room may be used for sleeping quarters and room additions may be used as sleeping quarters per HUD Housing Quality Standard HQS/NSPIRE regulations.

GHA generally assigns one bedroom to two people and will also consider the following conditions when determining the unit size designated for the family's voucher:

- Considered a member of the family in determining the family's unit size;
- Persons of the opposite sex (other than spouses and children under age 6) will be allocated separate bedrooms;
- Single person families will be allocated one bedroom;
- Persons of different generations, persons of the opposite sex (other than spouses), and unrelated adults should be allocated a separate bedroom;
- Foster children will be included in determining unit size only if they will be in the unit for more than 6 months;
- Space may be provided for a child who is away at school but who lives with the family during school recesses;
- Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member in the military;

- A single pregnant woman with no other family members must be treated as a two-person family;
- Any live-in aide (approved by GHA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) will be allocated a separate bedroom. A live-in aide's family members may only reside in the unit:
  - With GHA pre-approval;
  - If it will not result in overcrowding;
  - No additional bedrooms will be added to the voucher size.
- A household in which the parent shares joint custody of a dependent child will include the child on the lease and will be counted for purposes of establishing occupancy standards for unit size if:
  - The head of household is legally entitled to physical possession of the child more than 50% of the time; and
  - The child actually physically resides in the unit with the head of household more than 50% of the time; and
  - If the child is school age, the head of household is listed as the legal guardian on the child's school enrollment documentation, and the address of record is the head of household's address.

A total of two additional members per living/sleeping area may be approved at the request of the participant. GHA will only grant increases in voucher size in cases of birth, adoption, court awarded or other legally documented custody.

An exception may be granted to allocate a separate bedroom to a family member, if a larger bedroom size is needed for medical equipment due to its size and/or function, or as a reasonable accommodation for a person with disabilities. Written verification of disability and need for the medical equipment may be required by GHA prior to allocation of the additional bedroom. All requests for exceptions to the occupancy standards must be submitted in writing and verified by a qualified third party.

#### 7.6.2 Exceptions to Subsidy Standards

A participating family may request a subsidy exception at any time; however, if the family is in the first term of the lease, or in a lease other than month-to-month, or is not eligible for move for any other reason, the request may be denied based upon the family's ineligibility to move at the time of the request.

### 7.6.3 Unit Size Selected by Family

The family may select a different size unit than that listed on the voucher; however, the unit must meet housing quality standards, have a reasonable rent, and the rent must be less than 40% of the family's adjusted income at initial leasing. When calculating the Housing Assistance Payment (HAP), GHA will apply the payment standard and utility allowance for the lower of:

- The unit size shown on the voucher, or
- The size of the actual unit selected by the family.

### 7.6.4 Under-Housed and Over-Housed Families

If a unit does not meet HQS/NSPIRE space standards due to an increase in family size or change in family composition, GHA will issue the family a voucher to move to an appropriate sized unit. HQS/NSPIRE requirements permit a maximum of two persons per living or sleeping room in the units.

Families will not be required to use rooms other than bedrooms for sleeping purposes in the voucher size determination. Participants may elect to use other areas of the unit as living/sleeping areas in determining the total number of persons eligible to live in the unit as a result of the family's request to add household members. A total of two additional members per living/sleeping area may be approved at the request of the participant. GHA will only grant increases in voucher size in cases of birth, adoption, court awarded or other legally documented custody.

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

- If a family with a disability is under-housed and in an accessible unit.
- If a family requires the additional bedroom because of a health problem that has been verified by the GHA, and is considered a reasonable accommodation

## 7.7 Security Deposit

Links: [24 CFR 982.313 \(a\) and \(b\)](#)

The owner may collect a security deposit from the participant. The deposit must be reasonable based on local security deposits charged and those charged by the owner for other assisted and non-assisted units.

## 7.8 Separate Agreements

Links: [24 CFR 982.451\(b\)\(4\)](#); [24 CFR 982.510\(c\)](#)

The GHA permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease. Any items, appliances, or other services that are not customarily provided to unassisted families as part of the dwelling lease with those families, are not permanently installed in the dwelling unit and where the family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the owner and the family.

Separate non-lease agreements that involve additional items, appliances or other services may be considered amenities offered by the owner and may be taken into consideration when determining the reasonableness of the rent for the property.

Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

## **7.9 Initial Rent Burden**

At initial lease, the family's rent cannot be more than 40% of the family's adjusted income. At the family's request, GHA will negotiate with the owner to reduce the rent. If the rent is not lowered to at or below 40% of the adjusted income, the family may not lease the unit.

## **7.10 Disapproval of RFTA**

If GHA determines the request cannot be approved for any reason, the owner and the family will be notified. GHA will instruct the family of the steps that are necessary to approve the RFTA.

If, for any reason, an RFTA is not approved and the voucher has not expired, GHA will furnish another RFTA form to the family, so the family can continue to search for eligible housing.

The owner may not reside in the assisted unit regardless of whether he/she is a member of the assisted family, unless the family owns the mobile home and rents the pad.

## **7.11 Owner Disapproval**

Links: [24 CFR 982.54d\(8\)](#); [982.306](#); [982.161\(a\)](#)

GHA may disapprove the owner for any of the following reasons:

- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- The owner has engaged in any drug-related criminal activity or any violent criminal activity;
- The owner has a history or practice of non-compliance with the HQS/NSPIRE for units leased under the participant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;
- The owner has a history or practice of failing to terminate tenancy of participants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the participant, any member of the household, a guest or another person under the control of any member of the household that: (i) Threatens the right to peaceful enjoyment of the premises by other participants; (ii) Threatens the health or safety of other participants, of employees of the GHA, or of owner employees or other persons engaged in management of the housing; (iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or (iv) Is drug-related criminal activity or violent criminal activity;
- The owner has a history or practice of renting units that fail to meet state or local housing codes; or
- The owner has not paid state or local real estate taxes, fines, or assessment.
- When HUD has informed GHA that disapproval is required because:
  - Owner has been disbarred, suspended, or subject to a limited denial of participation
  - Federal government has instituted an administrative or judicial action against the owner for violating the Fair Housing Act or other federal equal opportunity requirements and such action is pending;
  - Court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.

Before imposing any penalty against an owner, GHA will review all relevant factors pertaining to the case and will consider such factors as the owner's record of compliance and the number of violations.

If an owner commits fraud or abuse or is guilty of frequent or serious contract violations, GHA may debar or suspend the owner from future participation in the. GHA may terminate some or all contracts with the owner.

The GHA must not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- Any present or former member or officer of the GHA (except a participant commissioner)
- Any employee of the GHA, or any contractor, subcontractor or agent of the GHA, who formulates policy or who influences decisions with respect to the programs
- Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs
- Any member of the Congress of the United States

HUD may waive the conflict-of-interest requirements, except for members of Congress, for good cause. The GHA must submit a waiver request to the appropriate HUD Field Office for determination. Any waiver request submitted by the GHA must include the following:

- Complete statement of the facts of the case;
- Analysis of the specific conflict of interest provision of the HAP contract and justification as to why the provision should be waived;
- Analysis of and statement of consistency with state and local laws. The local HUD office, the GHA, or both parties may conduct this analysis. Where appropriate, an opinion by the state's attorney general should be obtained;
- Opinion by the local HUD office as to whether there would be an appearance of impropriety if the waiver were granted;
- Statement regarding alternative existing housing available for lease under the HCV program or other assisted housing if the waiver is denied;
- If the case involves a hardship for a particular family, statement of the circumstances and discussion of possible alternatives;
- If the case involves a public official or member of the governing body, explanation of his/her duties under state or local law, including reference to any responsibilities involving the HCV program;
- If the case involves employment of a family member by the GHA or assistance under the HCV program for an eligible GHA employee, explanation of the responsibilities and duties of the position, including any related to the HCV program;
- If the case involves an investment on the part of a member, officer, or employee of the GHA, description of the nature of the investment, including disclosure/divestiture plans.



In considering whether to request a conflict of interest waiver from HUD, the GHA will consider certain factors such as consistency of the waiver with state and local laws, the existence of alternative housing available to families, the individual circumstances of a particular family, the specific duties of individuals whose positions present a possible conflict of interest, the nature of any financial investment in the property and plans for disclosure/divestiture, and the possible appearance of impropriety. Where the GHA has requested a conflict-of-interest waiver, the GHA may not execute the HAP contract until HUD has decided on the waiver request.



QUADEL  
CONSULTING

## CHAPTER 8: Housing Inspection and Rent Reasonableness

Links: [24 CFR 982.305](#); [982.401](#); [982.405\(b\)](#); [HOTMA §101\(a\)\(1\)](#)

GHA performs four types of inspections:

- Initial Inspections
- Biennial Inspections
- Annual Inspections
- Special/Complaint Inspections
- Quality Control Inspections

All units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS). The GHA will apply this standard, or HUD approved successor standard, National Standards for the Physical Inspection of Real Estate (NSPIRE), to housing unit inspections. All units must pass a housing inspection prior to the approval of a lease and at least once every 24 months during the term of the contract, and at other times as needed, to determine that the unit meets inspection standards. The GHA may also accept an alternate inspection from HUD-approved entities (e.g. Low-Income Tax Credit; HOME) if GHA can reasonably determine from the result of that inspection that the unit would meet similar standard of housing quality.

The GHA may rely on an alternative inspection (an inspection conducted for another housing program) provided GHA obtains the results of the alternative inspection and if HCV units are included in the population of that housing program's unit population. Alternative housing program inspections include:

- HOME Investment Partnerships
- Low-Income Housing Tax Credits housing
- Inspections performed by HUD

Units in mixed-finance properties assisted with project-based vouchers will be inspected at least triennially. GHA will maintain reports for inspections conducted using an alternative inspection method for at least three years from the date of the latest inspection.

### 8.1 Inspection Charges

Link: [PIH Notice 2016-05](#); [24 CFR §982.405](#)

GHA has established a reasonable fee of \$100.00 to owners for a re-inspection in the following circumstances:

- if an owner notifies the GHA at prior to the abatement of HAP or termination of the HAP Contract, that a deficiency cited in the previous inspection has been repaired and a reinspection reveals that it has not been corrected.

The owner may not pass this fee on to the participant. The owner must pay GHA the fee within 30 days of the fee notice or the HAP contract may be terminated, or the HAP will be reduced by \$100 to satisfy the fee.

## **8.2 Initial Inspections**

The owner or owner's representative must be present at the initial inspection and any re-inspection. The applicant is permitted but not required to be present. All utilities must be in service at the initial inspection, or the inspection will fail. For the re-inspection, the utilities must be turned on.

The unit must have an operating oven, a stove or range, and refrigerator, which may be supplied by the owner or family. If the participant is responsible for providing the stove and/or refrigerator, GHA will allow the stove and/or refrigerator to be placed in the unit after the passed inspection. The GHA will only execute the HAP contract following receipt of a signed certification from the family that the appliances are in the unit and working. GHA may conduct a confirmatory inspection to check the appliances.

GHA will conduct the initial inspection generally within 10 calendar after receiving a completed RFTA from the family and the unit is ready for inspection.

If the unit fails the initial housing inspection, the owner will be notified of the deficiencies. The owner is required to contact GHA within 10 calendar days of the initial inspection to advise the repairs to have been made. If the unit fails the re-inspection, the family must select another unit. GHA may agree to conduct a second re-inspection when requested and there is good cause to grant the request.

GHA may deny a contract for a unit if the unit has a history of failed inspections for major infractions within the past 24 months. Major infractions include, but are not limited to failing paint issues, plumbing or sewage, heat or hot water, flooding or leaks at window or roofs, gas leaks, or ongoing electrical malfunctions, and evidence by previous participant tenants of excessive utility bills or other such infractions. A minimum of three or more complaint inspections or repeated failures during annual, quality control or complaint inspections in a 24 month period where major infractions were cited, or where ongoing housing inspection violations are documented may be cause for denial of a new contract or termination of an

existing contract. Owners are encouraged to inspect their property periodically during the term of the HAP contract to insure compliance.

### **8.3 Biennial Inspections**

Link: [24 CFR 982.405\(a\)](#)

GHA will perform housing inspections on units under a HAP contract no less often than every 24 months following the initial inspection and lease effective date. GHA may perform the housing inspection annually for units that have a history of inspection deficiencies; special inspections or; emergency inspections.

An adult family member must be present at the inspection. If an adult family member cannot be present on the scheduled date, the family must contact GHA to reschedule the inspection. Inspections may be rescheduled once.

If the family misses the first scheduled appointment without notifying GHA before the inspection, the GHA will automatically schedule a second inspection. If the family misses two scheduled inspections without GHA approval, the GHA will consider the family to have violated its obligation to make the unit available for inspection.

### **8.4 Special Inspections**

The GHA will conduct a special inspection if the family, or a government official reports a condition that is life-threatening. The GHA will inspect the housing unit within 24 hours of when the GHA received the notification. If the reported condition is not life-threatening, GHA will inspect the unit within 10 days of the notification. During a special inspection, GHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional inspection deficiencies that are observed and will require the responsible party to make the necessary repairs.

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

### **8.5 Quality Control Inspections**

Link: [24 CFR 982.405\(b\)](#)

GHA will conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the inspection standard. An adult family member must be present for the inspection.

## **8.6 Scheduling Inspections and Family Attendance**

Link: [24 CFR 982.551\(d\)](#)

The family must allow the GHA to inspect the unit at reasonable times with reasonable notice. The family and owner will be given reasonable notice of all inspections. Except in the case of a life-threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 4:00 p.m., Monday through Friday. In the case of a life-threatening emergency, the GHA will give as much notice as possible, depending on the nature of the emergency.

### **8.6.1 Missed and Rescheduled Inspections**

An owner is not allowed to cancel an annual, special or quality control inspection.

The family may only request to cancel and reschedule the annual inspection for good cause: e.g. unavoidable conflict, which seriously affects the health, safety or welfare of the family.

GHA may require the family provide documentation in support of the request. The family may only cancel and reschedule the annual inspection and/or any subsequent re-inspections once. If an adult (regardless of whether that individual is a member of the household) is unable to be present, they must reschedule the appointment so that the inspection is completed within 5 days.

GHA will process termination of family program assistance and inform the owner of contract unit termination when the following occurs:

- The family cancels, does not allow entry, or fails to have an adult present on two consecutive scheduled inspections.
- The family cancels or fails to be present at the first scheduled inspection and fails to reschedule the inspection.
- If the family does not allow entry, is not present for the inspection, or fails to have an adult present, the attempted inspection is considered a failed inspection.

## **8.7 Emergency Inspections**

If a participant or government official reports a condition that is life-threatening, GHA will inspect the unit within 24 hours.

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS/NSPIRE failures, the GHA will determine if the failure is a life-threatening condition. . The GHA adheres to HUD's definition of life-threatening conditions and has no additions to this standard.

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

When failures that are not life-threatening are identified, the GHA will send the owner and the family a written notification of the inspection results. The written notice will state that the re-inspection will occur within 30 days, without a GHA approved extension. The owner must contact GHA when the unit is ready for re-inspection within the 30 day time requirement.

The notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life-threatening conditions are not corrected within the specified time frame (or any GHA-approved extension), the owner's HAP will be abated in accordance with GHA policy.

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

- The GHA will inspect abated units within 5 business days of the owner's notification that the work has been completed.
- Payment will resume effective on the day the unit passes inspection.
- The maximum length of time that HAP may be abated is 180 days.
  - However, if the owner completes corrections and notifies the GHA before the termination date of the HAP contract, the GHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

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



of the abatement and potential termination of the HAP contract and will provide the family to request a voucher to search for a new unit.

If the owner is unable to gain access to the unit to make repairs due to the family's lack of cooperation, the owner enforce the lease and advise GHA of the lease violation.

In the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any GHA-approved extension, if applicable) the family's assistance will be terminated in accordance with GHA policy.

## **8.8 Owner Inspection Certifications**

Link: [24 CFR 982.404\(a\)\(3\)](#); [Notice PIH 2011-29](#)

At GHA's sole discretion, GHA will either complete a re-inspection or allow the owner and participant to submit a Certification of Work Completed Notice.

If the owner is eligible to submit a Certification of Work Completed Notice, the Certification must be submitted to GHA within 28 calendar days of the failed inspection, must also contain the participant's signature, and documentation of the completed work must be attached, i.e. receipts, pictures, etc. Units where verification of repair by self-certification and/or photographs are used, may be subject to additional quality control inspections.

It is the owner's responsibility to obtain the participant's signature on the Certification and to submit the form to GHA within 28 days of the date of the first inspection, unless an extension is granted.

GHA may utilize a Certification of Work Completed Notice when the repairs required are minor. The unit is not eligible for a Certification and must be re-inspected in the following circumstances:

- The unit is not currently under HAP (Initial Inspection)
- The unit has numerous failed items
- The fail is an emergency, 24-hour repair item
- The failed item(s) are of a serious or suspicious nature

## **8.9 Extensions**

Link: [24 CFR 982.404](#)

GHA will not grant extensions for life-threatening conditions. For conditions that are not life-threatening, the GHA may grant an exception for correcting the failed item(s), if the GHA determines that an extension is appropriate. Extensions will be granted in cases where the GHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

- A repair cannot be completed because required parts or services are not available.
- A repair cannot be completed because of weather conditions.
- A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case-by-case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 30 calendar days, once the weather conditions have subsided.

## **8.10 Family Responsibilities**

Link: [24 CFR 982.551\(d\)](#), [24 CFR 982.404\(b\)](#)

The family is responsible for correcting inspection failures caused by:

- Family-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear.
- Infestation and damage to the unit caused by infestation due to housekeeping.

GHA will terminate the family's assistance if the family:

- Fails to correct a violation within the period allowed by the GHA (and any extensions);
- Fails to allow the owner entry into the unit to complete repairs.

## **8.11 Owner Responsibilities**

Link: [CFR 985.3\(f\)](#)

The owner is responsible for all inspection violations not listed as a family responsibility above. In order for a unit that has failed two consecutive inspections to be scheduled for a third

inspection the owner must provide GHA with written certification that all deficiencies have been corrected. Only upon receipt of this certification will additional inspections be scheduled. When inspection deficiencies are the Owner's responsibility, the GHA will charge the Owner a non-refundable reasonable fee of \$100.00 for conducting a third re-inspection. The reasonable fee must be paid to GHA prior to scheduling the third re-inspection and any other inspections after that inspection. GHA requires that the Owner or an authorized representative of the Owner participate in such re-inspections.

#### 8.11.1 Lead Safe Homes Rule

Link: [HUD PIH Notice 2017-13](#)

For Housing Choice Voucher (HCV) units, when a child under 6 is identified with an elevated blood lead level (EBLL), the Owner is responsible for:

- Initial notification of a confirmed case to HUD: In the event that the owner becomes aware of the above, the Owner must notify GHA, who will collaborate with notification to the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes of the case – that is, the child's address – within 5 business days.
- Initial notification of the public health department, when necessary: When the Owner is notified of the case by any medical health care professional other than the public health department, the owner will notify GHA, who will notify the public health department of the name and address of the child within 5 business days.
- Verification of the case, when necessary: When the Owner receives information from a person who is not a medical health care provider that a case may have occurred, the owner should immediately convey the information to GHA so the GHA may notify the public health department, if GHA has indicated, or indicates at this time, that it wishes to collaborate with the owner on implementation of the rule, as described in PIH Notice 2017-13 and as follows.
  - Control of lead-based paint hazards: Completing the reduction of lead-based paint hazards in the index unit and common areas servicing that unit that were identified by the environmental investigation conducted by the PHA within 30 calendar days, using a certified lead-based paint abatement firm or certified lead renovation firm. Work will include occupant protection, and clearance of the unit and common areas servicing that unit by an independent certified risk assessor or a trained dust sampling technician working under the risk assessor in accordance with section 35.1340.

- Notification to other residents: As already required by the LSHR, in a multiunit property, the owner must notify all residents of lead evaluation and hazard control activities.
- Ongoing maintenance: Maintaining covered housing without deteriorated paint if there is child under 6 in the family in accordance with sections 35.1220 and 35.1355(a).

## 8.12 Rent Reasonableness

Link: [24 CFR 982.507](#); [982.305\(a\)](#); [982.505 9\(c\)\(3\)](#)

At all times during the assisted tenancy, the rent to Owner may not exceed the reasonable rent determined by GHA. Rent reasonableness determinations may be completed by GHA at any time and will be completed:

- At initial lease up
- When an owner requests a rent increase
- If the FMR is decreased by 10%
- When directed by HUD

GHA will determine and document on a case-by-case basis that the approved rent:

- Is reasonable in comparison to rent for other comparable, unassisted units in the market, and
- Does not exceed rents currently charged by the same owner for an equivalent assisted or unassisted unit in the same building or complex.

### 8.12.1 Decreases in the Fair Market Rent

Link: [PIH Notice 2018-01](#):

In the event that HUD FMRs' decrease, GHA will allow families that are currently under a HAP contract to continue to use the payment standard in effect if the family continues to receive voucher assistance in that unit. However, if the family moves to a new unit or in the event that the family is no longer eligible for the unit size, the new payment standard will be applied.

### 8.12.2 Methodology

The GHA contracts with a third-party provider to collect and maintain data on market rents in the GHA's jurisdiction for unit rent reasonableness. Information sources may include newspapers, Internet, realtors, market surveys, inquiries of owners, owner information listed on the RFTA, and other available sources. The data is maintained by bedroom size and market

areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data is updated on an ongoing basis.

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable unassisted units in the same market area. Because units may be similar, but not exactly like the unit proposed for HCV assistance, the GHA utilizes a simplified rent reasonableness system that compares similar units and includes and considers the HUD factors. Information is gathered on unassisted rental units in the GHA market area, and each unit is rated using the GHA's rent reasonableness system. Using an automated method, the average rents are identified for units of like size and type within the same market area. Attempts will be made to localize the unit within a small jurisdiction (under a mile radius). The average will be adjusted up or down based on the estimated dollar value of the comparable items in comparison with the total database.

- The adjustment will reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).
- Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).
- The adjustment will reflect the rental value of the difference.
- When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new participants receive the first month's rent free, the actual rent for the unit would be calculated as follows:  $\$500 \times 11 \text{ months} = 5500 / 12 \text{ months} = \text{actual monthly rent of } \$488$ .

The GHA will notify the owner of the unit's rent reasonableness amount. The owner may submit information about other comparable units in the market area within 10 calendar days of GHA's notification. The GHA will confirm the accuracy of the information provided and consider this additional information when making final rent reasonableness determinations.

By signing the HAP contract and accepting each monthly HAP payment, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. GHA will not consider rent increase requests until after the initial occupancy period and only if the unit is not in failed HQS/NSPIRE status.

## CHAPTER 9: Housing Assistance Payment Contract

Link: [Form HUD 52641-a](#)

GHA makes every effort to execute the HAP contract with the owner as quickly as possible on or after the unit passes inspection and all required documents have been submitted. Required documents include:

- Executed lease between the owner and the participant
- Ownership and tax documents stated in the RFTA section of this Plan

### 9.1 HAP Payments

Link: [24 CFR 982.451\(a\)\(5\)](#)

Once the HAP Contract is executed, GHA will process housing assistance payments to the owner. The HAP contract is not effective until the unit has passed housing inspection. GHA is not responsible for any part of the rent prior to the date the unit passes inspection and the HAP contract is fully executed.

GHA will make Housing Assistance Payments to the owner in accordance with the HAP Contract, as long as the family continues to occupy the unit and the contract is not in violation. By accepting the monthly HAP payment, the owner certifies that: the family still resides in the unit, the owner is compliant with the contract, the unit is HQS/NSPIRE compliant, and that the rent to the owner is not more than the rent charged by the owner for comparable unassisted units.

The Housing Assistance Payment to the owner may never exceed the rent charged by the owner, and is the lower of the:

- Payment Standard minus the Total Participant Payment, or
- Gross rent minus the Total Participant Payment.

Late payment of HAP to the owner is subject to the late fees specified in the owner's lease.

GHA is not responsible for payment of late fees caused by:

- The participant's late payment of rent
- Late HUD fund transfer
- HAP payments on hold (HQS/NSPIRE, etc.)
- Any other HUD allowed reason and circumstances beyond GHA control.

Owner payments will be placed on hold if:

- The unit fails HQS/NSPIRE



- Ownership of the unit has changed
- Unit ownership is in question
- Any other reason GHA determines that the HAP contract may have been breached

## 9.2 Owner Rent Increases

Link: [24 CFR 982.308\(g\)\(4\); 982.309\(a\)\(3\)](#)

After the initial lease period, the owner may request a rent increase according to the terms in the lease. All rent increases must be submitted in writing to GHA by the owner, along with a copy of the rent increase notice to the participant. The owner must provide 60 days advance notice to the participant and the rent increase must be requested on the GHA Rent Increase Form.

If approved, the rent adjustment will be effective the first day of month on or after the contract anniversary date or 60 days following receipt of the owner request on the first of that month, whichever is later. If the rent is not reasonable and the owner is unwilling to negotiate an approvable rent amount, the participant will be issued a voucher to move and the HAP contract will be terminated.

GHA may, due to HUD funding constraints, limit and/or suspend rent increases.

## 9.3 Unit Ownership Changes

GHA must receive a written request by the initial owner in order to change the HAP Contract payee and/or the address to which payment is to be sent. GHA will process a change of ownership provided the following documents are received from the new owner:

- Proof of ownership, i.e. copy of escrow statement, deed of trust, or other document showing the transfer of title.
- Completed W9 with Social Security or Employee Identification Number
- In cases where the owner has elected to utilize the services of a property management company or has otherwise designated an agent to act on his/her behalf, GHA may request a copy of the management or agent agreement, a statement from the owner identifying the individual/s authorized to execute HAP Contracts on his/her behalf in addition to proof of ownership documentation.

- GHA utilizes direct deposit as the method of payment of HAP obligations. Owners are required to provide a Tax Identification Number (TIN) or a Social Security Number that matches their banking information. GHA will not enter into a contract where the owner is unable to establish a TIN/SSN that matches names or entities identified on ownership documents or where the owner elects not to accept direct deposit.
- Owner Certification
- The effective date of the HAP contract assignment;
- A written agreement to comply with the terms of the HAP contract; and
- A certification that the new owner is not a prohibited relative.
- When a change in ownership occurs, the new owner legally assumes the current lease and the current HAP contract. At GHA's or the new owner's request a new HAP contract may be executed, however the lease terms remain the same and new HAP term matches the existing lease.

## 9.4 HAP Contract Terminations

Link: [24 CFR 982.311\(b\)](#)

All terminations of a HAP contract initiated by GHA will be sent in writing to the owner and family. Automatic termination of HAP payments result when:

- A family vacates the unit either in violation of the lease or by mutual agreement with the owner before termination of the lease/contact
- The lease is terminated by the owner or the family
- The owner will not renew the HAP contract or extend the current lease
- The sole participant dies
- There has been no HAP for 180 calendar days
- GHA terminates assistance for the family
- HQS/NSPIRE space requirements are not met or the unit failed HQS/NSPIRE and has not been repaired in the required timeframe
- Owner violations of the HAP contract

- Family obligation violations

GHA may terminate the HAP contract when HUD funding is insufficient.

No future subsidy payments on behalf of the family will be made by GHA to the owner after the month in which the Contract is terminated. The owner must reimburse GHA for any subsidies paid by GHA for any period after the contract termination date.

If the family continues to occupy the unit after the HAP contract is terminated, the family is responsible for the total amount of rent due to the owner.

The owner may terminate the lease at the end of the lease term or at any time for lease violations. The owner must use the termination proceedings as prescribed in the lease and contract; the owner can:

- Institute court action, using the grounds for eviction cited in the lease;
- Try to obtain a mutual rescission of the lease with the participant. The mutual rescission must be signed by both parties and indicate the reason for the rescission.
- Issue proper notice not to renew the Lease Agreement.

If the owner has begun eviction and the family continues to reside in the unit, GHA will continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the family. HAP payment will stop the first of the month following the legal eviction or the date the family moves from the unit whichever is earlier.

If an eviction is due to other than lease violations and if GHA has no other grounds for the family's termination of assistance, and if the family is eligible to move; GHA may issue a new voucher to the family.

The owner may not terminate tenancy for the GHA's failure to pay the housing assistance payment.

## CHAPTER 10: Verifications

Links: [24 CFR 982.516](#), [24 CFR 982.551](#), [24 CFR 5.230](#), [24 CFR 5.609\(d\)](#); [Notice PIH 2010-19](#); [Notice PIH 2018-18](#); [HCV GB p5-17](#),

The family must supply any information that GHA or HUD determines necessary to the administration of the program and must consent to the GHA verification of that information. All adult applicants, members of the family turning 18 and added adult members must sign the [HUD-9886A, Authorization for Release of Information](#). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Failure to sign consent forms or revoking consent previously granted will result in denial of admission for applicants and lease termination for participants. The family will be informed of the denial or termination in accordance with GHA policies and will be provided information on requesting an informal hearing.

### 10.1 Methods of Verification

Link: [Notice PIH 2018-18](#),

GHA uses HUD's hierarchy of verifications, in the following order:

- Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
- Up-front Income Verification (UIV) using a non-HUD system
- Written Third Party Verification provided by applicant or participant
- Written Third-party Verification Form
- Oral Third-party Verification
- Self-Certification

#### 10.1.1 EIV Verification Process

Link: [24 CFR 5.233](#); [PIH Notice 2018-18](#)

The GHA uses HUD's Enterprise Income Verification (EIV) system to verify participant employment, earned income, unemployment benefits, and social security (SS), and supplement security income (SS) benefits information at annual re-certifications. The GHA will also use HUD's EIV system to monitor potential duplicate subsidies, deceased individuals, household member identity, under and non-reported income, and immigration status.

The GHA is not required to review EIV no longer required to use EIV to verify tenant employment and income information during an interim reexamination of family composition

and income but may choose to do so if the GHA has reason to believe the report would be useful to identify income or a discrepancy in the amounts reported by the family. The GHA will inform all applicants and participants of its use of the following UIV resources during the admission process: HUD's EIV system.

#### **10.1.2 Requirements for Non-EIV Verifications**

The GHA's requirements for non-EIV verifications provided by the applicant or participant are:

- Any third party documents supplied by the applicant or participant used for verification must be original or authentic documents and must be dated within 60 days of the request date. The documents must not be damaged, altered or in any way illegible.
- Print-outs from web pages are considered acceptable documents.
- The GHA staff member who views the document will make a photocopy, note the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

#### **10.1.3 Third Party Written Verifications**

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by the GHA and will be sent directly to the third party.

The GHA will use review of documents in lieu of requesting third-party verification when the market value of an individual asset or an expense is less than \$5,000 annually **and** the family has original documents that support the declared amount.

The GHA also will determine that third-party verification is not available when there is a service charge for verifying an asset or expense **and** the family has original documents that provide the necessary information.

#### **10.1.4 Third Party Oral Verifications**

GHA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

#### **10.1.5 Family Self-Certifications**

Link: Notice [PIH 2013-03](#)

The documents in the application packet and annual re-certification packet serve as the family's self-certifications. When the GHA is unable to obtain third-party verification, the GHA will

document in the family file the reason that third-party verification was not available. When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the GHA. GHA may require the family to certify that a family member does not receive a particular type of income or benefit. The self-certification must be made in a format acceptable to the GHA and must be signed by the family member whose information or status is being verified.

The GHA will accept a self-certification from a family as verification of:

- Assets disposed of for less than fair market value
- Ownership of real property
- Assets valued less than the annual threshold established by HUD. The GHA will verify asset values no less often than at admission and every third year.
- Social Security Number if self-certification is supported by other third party documentation such as (but not limited to) bank account or other federal program information.

## **10.2 Excluded Income Verifications**

Link: [Federal Register 12/14/12](#)

Fully excluded income (e.g. food stamps, etc.) no longer requires verification and is not required to be reported on the HUD 50058.

## **10.3 Eligibility Verifications**

The following information will be verified to determine qualification for admission and continued occupancy to GHA's housing:

- Household composition, demographics and type (Elderly/Disabled/Non-elderly)
- Annual Income
- Assets and Asset Income
- Deductions from Income
- Social Security Numbers of all household members
  - Pending disclosure and documentation of social security numbers, the GHA will allow the family to retain its place on the waiting list for 90 days. If not all household members have disclosed their SSNs at the next time a voucher becomes available, the GHA will offer a voucher to the next eligible applicant family on the waiting list.



- Citizens and lawfully present noncitizens who state that they have not been assigned an SSN by the SSA will make such declaration in writing and under penalties of perjury to GHA.
  - If the family provides an unacceptable document, the GHA will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the GHA within 60 days.
  - If the family certifies that the required evidence is temporarily unavailable and it needs more time, the GHA may provide an extension of up to 30 days to submit evidence of eligible status, if the family has submitted the required declaration of eligible immigration status. To obtain an extension, the family must also certify that prompt and diligent efforts will be undertaken to obtain the evidence.
  - Once an individual's status is classified as "verified" in HUD's EIV system, the GHA may remove and destroy copies of documentation accepted as evidence of social security numbers.
- Applicant Criminal History Information
  - Citizenship or eligible immigration status

## **10.4 Legal Identity Verification**

The GHA will require families to furnish verification of legal identity for each household member. A photo ID is required for each adult family member. Legal identity will be verified at application and on an as needed basis. Only the following identify documents are acceptable, in addition to the photo ID for each adult:

- Adults: Birth Certificate or Naturalization Papers
- Children: Birth Certificate, Adoption Papers, Court Award documents, Social Service Agency Award documents

### **10.4.1 Marriage Verification**

A marriage certificate is required to verify that a couple is married. In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (filing joint income tax returns, joint bank statements, etc.).

### **10.4.2 Separation or Divorce Verification**

A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced.

A copy of a court-ordered maintenance or other court record is required to document a separation.

If no court document is available, documentation from a community-based agency will be accepted.

#### 10.4.3 Adult Member Absence Verification

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

#### 10.4.4 Foster Children and Foster Adults Verification

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

#### 10.4.5 Student Status Verification

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

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

#### 10.4.6 Student Head of Households

Link: [Eligibility of Independent Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937](#)

GHA may provide housing assistance to Independent Student Head of Households who are defined by meeting one of the following characteristics:

- The individual is 24 years of age or older;
- The individual is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older;

- The individual is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's State of legal residence;
- The individual is a veteran of the Armed Forces of the United States (as defined in subsection (c)(1) of HEA) or is currently serving on active duty in the Armed Forces for other than training purposes;
- The individual is a graduate or professional student;
- The individual is a married individual

GHA will verify the Student Head of Household using the following:

- Previous address information to determine evidence of a separate household, or verifying the student meets the U.S. Department of Education's definition of "independent student";
- Reviewing a student's prior year income tax returns to verify the student is independent or verifying the student meets the U.S. Department of Education's definition of "independent student"; and
- Written certification from the individual providing the support. Certification is also required if the parent is providing no support to the student. Financial assistance that is provided by persons not living in the unit is part of annual income. (Except if the student meets the Department of Education's definition of "independent student"

#### 10.4.7 Disabled Status Verification

For family members claiming disability who receive disability payments from the SSA, the GHA will use HUD's EIV system to verify the disability. If documentation from HUD's EIV System is not available, the GHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the GHA will ask the family to request a benefit verification letter by either calling the SSA at 1-800-772-1213, or by requesting it from <https://www.ssa.gov/>.

For family members claiming disability who do not receive SSI or other disability payments from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability.

#### 10.4.8 US Citizens and Nationals

Family members who claim US citizenship or national status will be required to provide additional documentation such as a birth certificate.

## 10.5 Verification of Income

Link: Link: [24 CFR 960.259](#), [982.516](#)

### 10.5.1 Wage Verification

The GHA requires two current and consecutive paystubs for determining annual income from wages. If paystubs are not available, the GHA will accept an authentic document on employer letter head that states wages for previous 120 days, or an employer payroll print out.

### 10.5.2 Tip Income Verification

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certification of tips received for the prior year and estimated tips anticipated to be received in the coming year.

### 10.5.3 Bonus Income Verification

For persons who regularly receive bonuses or commissions, the GHA will verify and then average amounts received for one year preceding admission or re-certification. The GHA will consider justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the GHA will count only the amount estimated by the employer.

### 10.5.4 Business and Self Employment Income Verification

Business owners and self-employed persons will be required to provide:

- An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.
- All schedules completed for filing federal and local taxes in the preceding year. If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.
- The GHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.
- At any re-certification the GHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

- If a family member has been self-employed less than three months, the GHA will accept the family member's certified estimate of income and schedule an interim reexamination in three months.
- If the family member has been self-employed for three to twelve months the GHA will require the family to provide documentation of income and expenses for this period and use that information to project income.

#### 10.5.5 Social Security and SSI Benefits Verification

To verify the SS/SSI benefits of participants, the GHA will obtain information about social security/SSI benefits through HUD's EIV system. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, the GHA will request a current SSA benefit verification letter from each family member that receives social security benefits.

If a family member is unable to provide the document, the GHA will help the participant request a benefit verification letter from SSA's Web site at <https://www.ssa.gov/> or ask the family to request one by calling SSA at 1-800-772-1213. Once the family has received the benefit verification letter, it will be required to provide the letter to the GHA.

#### 10.5.6 Alimony and Child Support Verification

GHA verifies alimony and child support differently depending on whether the family declares that it receives regular payments. If the family declares that it receives regular payments, verification will be sought in the following order.

- Copy of the receipts and/or payment stubs for the 60 days prior to GHA request
- Third-party verification form from the state or local child support enforcement agency
- Third-party verification form from the person paying the support
- Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received

If the family declares that it receives irregular or no payments, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include:

- A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts
- If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts.

#### 10.5.7 Zero Income Verification

The GHA will check EIV to determine zero income. GHA will require all adult family members to execute verification forms to determine that certain forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household.

#### 10.5.8 Student Financial Assistance

Link: [24 CFR 5.609\(b\)\(9\)](#)

For a student subject to having a portion of his/her student financial assistance included in annual income, the GHA will request written third-party verification of both the source and the amount. Documents requested include:

- Family provided documents from the educational institution attended by the student
- Documents generated by any other person or entity providing such assistance, as reported by the student.
- Written verification of the student's tuition amount.

In the event that the family fails to provide verification within the time requested by GHA, the GHA will remove the status of Full Time Student and will proceed with the re-examination less associated deductions from annual income.

##### *10.5.8.1 Verification of Parental Income of Students Subject to Eligibility Restrictions*

If the GHA is required to determine the income eligibility of a student's parents, the GHA will request an income declaration and certification of income from the appropriate parent(s). The GHA will send the request directly to the parents, who will be required to certify to their income under penalty of perjury. The parents will be required to submit the information directly to the GHA. The required information must be postmarked within 10 calendar days of the date of the GHA's request or within any extended timeframe approved by the GHA.

The GHA reserves the right to request and review supporting documentation at any time if it questions the declaration or certification. Supporting documentation may include, but is not limited to Internal Revenue Service tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, benefit award letters and other official and authentic documents from a federal, state, or local agency.

### 10.6 Verification of Assets

Link: [24 CFR 960.259](#), [982.516](#),



The GHA may accept the family's declaration that it has net assets equal to or less than \$5,000 (Effective upon GHA HOTMA Compliance Date this amount will be \$50,000 and HUD will establish this threshold annually), without taking additional steps to verify the accuracy of the declaration. The declaration must state the amount of income the family expects to receive from such assets; this amount must be included in the family's income.

The GHA will obtain third-party verification of assets when determining program eligibility and no less often than every three years thereafter unless otherwise specified by HUD.

#### 10.6.1 Assets Disposed of for Less Than Fair Market Value Verification

GHA accepts the family's self-certification of whether any assets have been disposed of for less than fair market value in the past two years. The GHA needs to verify only those certifications that warrant documentation. The GHA will verify the value of assets disposed of only if:

- The GHA does not already have a reasonable estimation of its value from previously collected information, or
- The amount reported by the family in the certification appears obviously in error.

#### 10.6.2 Ownership of Real Property

GHA will accept self-certification that the family does not have any present ownership interest in any real property.

The statutory self-certification only asks about ownership, and does not address the other elements of the restriction (such as a legal right to reside in, and the effective legal authority to sell the property).

#### 10.6.3 Income from Rental Verification

The family must provide:

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

maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

## **10.7 Verification of Expenses**

### **10.7.1 Medical Expenses**

Medical expenses will be verified by written third-party documents provided by the family, such as pharmacy printouts or receipts. The GHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The GHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

GHA will also accept written third-party verification forms. The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source.

When anticipated costs are related to on-going payment of medical bills incurred in past years, the GHA will verify:

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

### **10.7.2 Attendant Care and Auxiliary Apparatus Expenses**

Expenses for attendant care will be verified through:

- Written third-party documents provided by the family, such as receipts or cancelled checks.
- Third-party verification form signed by the provider, if family-provided documents are not available.

Expenses for auxiliary apparatus will be verified through:

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

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

To verify the family member enabled to work, the GHA will verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work. GHA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member(s) to work. To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

### 10.7.3 Childcare Expense Verification

The family is required to certify that the childcare expenses are not paid by or reimbursed to the family from any source. The GHA will verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

If a family member is seeking work, GHA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment) or the GHA will request family-provided verification from the agency of the member's job seeking efforts to date and require the family to submit to the GHA any reports provided to that agency.

In the event third-party verification is not available, the GHA will provide the family with a form on which the family member must record job search efforts. The GHA will review this information at each subsequent re-certification for which this deduction is claimed.

If the family member is furthering education, the GHA will request third-party documentation to verify that the person permitted to further his or her education by the childcare is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.

The GHA will seek third-party verification of the work schedule of the person who is permitted to work by the childcare. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. The documentation may be provided by the family.

The type of care to be provided is determined by the family but must fall within certain guidelines.

- The GHA will verify that the type of childcare selected by the family is allowable.
- The GHA will verify that the fees paid to the childcare provider cover child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).
- The GHA will verify that the childcare provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.
- The actual costs the family incurs will be compared with the GHA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

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

## CHAPTER 11: Ongoing Program Operations

### 11.1 Annual Re-Certifications

Links: [24 CFR 982.516](#); [24 CFR 5.612](#)

The GHA will conduct a re-certification of income and family composition annually. The GHA will begin the annual re-certification process approximately 120 days in advance of the scheduled effective date. If the family size has changed, GHA will increase or decrease the voucher size as appropriate at the annual re-certification. The annual re-certification will be effective on the first of the month.

Annual re-certifications may be completed by the means prescribed by the GHA. GHA will provide the participant with all required certification materials to be completed within the specified time. The participant and all adult family members must complete and submit all the required documents within the specified period.

The current utility allowance schedule will be used to complete the annual re-certification.

If any documents are missing from the file (social security cards, birth certificates, citizen declaration forms, etc.) the participant is required to provide the documents upon request (at annual re-certification, interim certification, or at any time requested by GHA).

The annual re-certification will not re-verify eligibility income limits except where the Head of Household is a full-time student.

GHA may follow up by telephone, email and/or require in-person appointments with participants, as needed to request additional information, seek clarification, review reexamination documents, and/or conduct quality control.

Participants will be provided with up to two opportunities to complete the re-examination requirements within the prescribed timeframes. Persons with disabilities who require assistance completing required documents will be granted reasonable accommodation to complete documents within prescribed timeframes. If all documents and information are not submitted to GHA within the timeframe, and any allowed extensions, the voucher will be terminated effective on the participant's reexamination effective date for the family's failure to comply with their family obligations. Termination processes begin after one failure to return documents plus one missed appointment, two missed appointments, or other opportunities as provided (e.g., on-line, via telephone, mail, etc.).

### 11.1.1 Streamlined Income Determinations

Link: [Notice PIH 2016-05](#)

For any family member with a fixed source of income, the GHA may determine that family member's income using a streamlined income determination by applying, for each fixed-income source, the verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount.

A family member with a fixed source of income is a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources: Social Security, Supplemental Security Income, Supplemental Disability Insurance; federal, state, local, or private pension plans; annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or any other source of income subject to adjustment by a verifiable COLA or current rate of interest.

GHA will use a COLA or current rate of interest specific to the fixed source of income in order to adjust the income amount and will verify the COLA or current interest rate from a public source or through tenant-provided, third party-generated documentation. If no such verification is available, then the GHA will obtain third-party verification of income amounts in order to calculate the change in income for the source.

For any family member whose income is determined by a streamlined income determination, the GHA will obtain third-party verification of all income amounts every 3 years.

### 11.1.2 Safe Harbor Income Determination

For the purposes of determining income eligibility and annual re-examinations, the GHA may determine a family's annual income, including income from assets, prior to the application of any deductions based on income determinations made within the previous 12-month period, using income determinations from the following types of means-tested federal public assistance programs:

- The Temporary Assistance for Needy Families block grant (42 U.S.C. 601, et seq.).
- Medicaid (42 U.S.C. 1396 et seq.).
- The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 et seq.).
- The Earned Income Tax Credit (26 U.S.C. 32).
- The Low Income Housing Tax Credit (26 U.S.C. 42).
- The Special Supplemental Nutrition Program for Woman, Infants, and Children (42 U.S.C. 1786).
- Supplemental Security Income (42 U.S.C. 1381 et seq.).



- Other programs administered by the Secretary.
- Other means-tested forms of federal public assistance for which HUD has established a memorandum of understanding.
- Other federal benefit determinations made by other means-tested federal programs that the Secretary determines to have comparable reliability and announces through a Federal Register notice.

If the family presents the GHA with multiple income determinations either from one or more of the above listed programs, the GHA will use the most recent income determination to establish the annual income prior to deduction/allowances.

## **11.2 Interim Reexaminations**

Link: [24 CFR 960.257](#), [24 CFR 966.4](#)

### **11.2.1 Changes to Household Composition**

The family must inform the GHA of an addition of a family member because of marriage, birth, adoption, or court-awarded custody of a child or the removal of a family member from the household within 10 calendar days. If adding a person to a household (other than a child by birth, adoption, or court-awarded custody) the GHA will approve the addition only if the family can demonstrate that there is a verified reasonable accommodation for a disabled member of the family or that the voucher size will not be increased. The GHA will not approve the addition of a foster child or foster adult if it will cause a violation of inspection space standards.

The GHA will not approve the addition of a new family member or household member unless the individual meets the GHA's eligibility criteria and documentation requirements. A criminal background check is required for all requests to add adult household members or live-in aides to the household.

### **11.2.2 Reporting Changes Affecting Income or Expenses**

Families are required to report increase in household income for the following circumstances:

- All increases in income must be reported to the GHA within 10 calendar days of the change.
- Decreases in income that are 10% or more of the family's annual adjusted income must be reported within 10 days of the change in income.
  - The family may choose to report loss of income that is less than 10% of the annual adjusted income.

- A family must report an increase in income/assets that occurs during the recertification period (within 120 days of the effective date anniversary, if the increase occurs after the family has completed the recertification packet and was not included).

Failure to adhere to the reporting requirements for change of income, for the determination of eligibility and for the redetermination of on-going eligibility is a violation of the family obligations may result in termination of the voucher.

### 11.2.3 GHA-Initiated Interim Re-certifications

The GHA will conduct interim re-certifications in each of the following instances:

- For families receiving the Earned Income Disallowance (EID), the GHA will conduct an interim reexamination at the start and conclusion of the 24-month eligibility period.
- If at the time of the annual reexamination, tenant declarations were used due to the lack of third-party verification, and third-party verification becomes available, the GHA will conduct an interim reexamination.
- The GHA will conduct an interim when the family has an increase in unearned income that is 10% or greater than the annual adjusted income.
  - The GHA will include earned income in the determination of an increase of 10% or greater if the family has had an interim for the loss of income during the same recertification period.
- The GHA may conduct an interim when the family has an increase in earned income that follows an interim for reduced income within the same reporting year.
- The GHA will conduct an interim for the loss of income that will increase the tenant rent portion or which is greater than 10 % of the annual adjusted income or upon the removal of a family member regardless of the percentage of loss to total family income

The GHA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

### 11.2.4 Interim Re-certification Effective Dates

If the participant rent is to increase:

- The increase generally will be effective on the first of the month following 30 days' notice to the family.
- If a family fails to report a change within the required time frames, or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the date it would have been effective had the information been

provided on a timely basis. The family will be responsible for any underpaid rent and may be offered a repayment agreement.

If the participant rent is to decrease:

- The decrease generally will be effective on the first of the month following notification of the decrease of household income.
- Effective upon the GHA HOTMA Compliance Date, if the participant rent is to decrease:
  - The decrease will be effective on the first day of the month following the month in which the change occurred, provided the family reported the change within the required 10 calendar day period.
  - GHA may apply rent decreases retroactively for circumstances in which families fail to report changes in a timely manner in the event of verified circumstances beyond the control of the family (example: hospitalization). A retroactive rent decrease may not be applied prior to the latter of either the first of the month following the date of the actual decrease in income, or the first of the month following the most recent previous income examination.

### **11.3 Family Moves**

Link: [24 CFR 982.1\(b\)\(2\)](#)

A family may request to move to a new unit if:

- The initial term of the lease has expired and proper notice has been given to the landlord and to the GHA.
- The lease for the family's unit has been terminated by mutual agreement of the owner and the family.
- For non-lease violations only: the owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family. The family must give the GHA a copy of any owner eviction notice and eviction for lease violation may result in termination from the program.
- The family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health or safety of the family or family member. This condition applies even when the family has moved out of its unit in violation of the lease, with or without prior notification to

the GHA, if the family or family member who is the victim reasonably believed that he or she was imminently threatened by harm from further violence if he or she remained in the unit.

- The GHA has terminated the assisted lease for the family's unit for the owner's breach of the HAP contract.
  - In the event the family must move as a result of the Owner failing to correct owner responsible unit deficiencies within the correction period, GHA will issue the family a voucher no less than 30 days prior to the HAP contract termination.
  - GHA will assist families with disabilities in locating available accessible units. If the family includes a member with a disability, the GHA will use abated HAP to assist the family with security deposit funding.
- The GHA determines that the family's current unit does not meet the HQS/NSPIRE space standards because of an increase in family size or a change in family composition.
- The family is in good standing with GHA.
- The family does not owe GHA money.

Families are not permitted to move in the first term of the lease or while in any subsequent lease term unless the owner and family mutually agree to do so. Families will not be permitted to move more than once in a 12-month period unless required to do so by GHA to meet HQS/NSPIRE or other program objectives, to protect the health or safety, or in the case of an emergency.

Situations such as witness protection program, victim of violent crime, medical necessity, employment necessity, and landlord caused failed HQS/NSPIRE, may necessitate a move in the first term of the lease, or in the term of a subsequent lease. The circumstances must be documented in writing and approved by GHA. The owner and family must agree in writing to a mutual rescission of the lease for GHA to approve a move during the lease term. If the owner refuses to a mutual rescission, the family will not be allowed to move unless GHA otherwise determines VAWA or other health and safety provisions prevail.

#### 11.3.1 Denial of Moves

Link: [Notice PIH 2016-09](#)

GHA will deny moves in the following circumstances:

- Applicants who are seeking to move under Portability who are not income eligible in the receiving PHA's jurisdiction.
- Participant families that have moved out of their assisted unit in violation of the lease. GHA will grant an exception to this in the situation where the only reason for the violation of the lease was due to circumstances surrounding being a victim or domestic abuse, dating violence or stalking.
- The GHA will deny a family permission to move on grounds that the GHA does not have sufficient funding for continued assistance if: (a) the move is to a higher cost unit (within GHA jurisdiction) or to a higher cost area (for portability moves); (b) the receiving PHA is not absorbing the voucher (applicable only to portability moves); and (c) GHA would be unable to avoid termination of current participants during the calendar year in order to remain within its budgetary allocation for housing assistance payments (including any available HAP reserves). This policy applies to moves within the GHA's jurisdiction as well as to moves outside it under portability.

In the event that GHA has denied a move due to insufficient funding, GHA will provide written notification to the local HUD Field office and to the family denying the request to move for this reason. GHA will advise the family that they may advise GHA if the request to move is due to a request for a reasonable accommodation or for protection due to domestic violence, dating violence or stalking (VAWA).

GHA will maintain a list of families who have been denied to move due to insufficient funding including the date of the original request and whether the request was due to a reasonable accommodation or VAWA. When funds become available, GHA provide families notice and will begin to process requests to move in the order received – from oldest to newest – with preference to families whose request to move was due to a reasonable accommodation or VAWA.

Families who do not respond to the notification that funds are again available and may again request to move will be removed from the list held by GHA.

### 11.3.2 Move Process

If GHA has determined the family has met the conditions above, the family will be issued a voucher to move and provided any other necessary information. Depending on when the family was last recertified and whether the family is planning to port out to another jurisdiction, GHA may conduct a recertification.

If the family is not eligible to move, GHA will notify the family in writing including the reasons for the denial.

If the family stays in the unit after the effective date of the move notice, the family will be responsible for the entire rent portion, unless the family and owner agree to a rescission of the move and notify GHA before effective date of the move notice.

If the family and owner agree to extend the move date, the extension must be submitted to GHA in writing, signed by both the family and owner, must include the new effective date of the move, and must be submitted before the original effective date of the move notice.

All actions regarding moves (RFTA, owner approval, initial inspection, initial rent burden, rent reasonableness, voucher term, voucher extensions, etc.) are the same as stated elsewhere in this Plan.

GHA may limit moves at any time due to HUD funding constraints. If moves are restricted, GHA will define the restriction, i.e. moves only allowed for disabled families, emergencies, etc.

### 11.3.3 Duplicate Housing Assistance Payments with a Move

Link: [24 CFR 982.311\(d\)](#)

If a participant family moves from an assisted unit with continued participant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy. HAP payments to a former owner beyond the month of the move into a new unit must be recaptured by GHA and may not be kept by the former owner.

## 11.4 Portability

Link: [24 CFR 982.353\(b\)](#)

### 11.4.1 Outgoing Portability

Link: [24 CFR 982.353\(c\), \(d\)](#); [982.355\(c\)\(1\)](#)

If the applicant did not live in GHA's jurisdiction at the time that the family's application for assistance was submitted, the family must lease a unit within the GHA's jurisdiction for at least 12 months before requesting portability. The GHA will consider exceptions to this policy for



purposes of reasonable accommodation or reasons related to domestic violence, dating violence, sexual assault, or stalking.

Families must notify the GHA when they want to move out of the GHA's jurisdiction using the portability feature. Families that are new admissions to the HCV program must meet the income eligibility requirements both for GHA and also in the jurisdiction where the family intends to move to ("the Receiving PHA"). Participant families must also meet the income eligibility requirements in the area to which the family plans to move only (they will not be required to re-verify income eligibility with GHA). Families are informed of these requirements in the briefing session.

The GHA will approve no extensions to a voucher issued to an applicant or participant family porting out of the GHA's jurisdiction except under the following circumstances:

- the initial term of the voucher will expire before the portable family will be issued a voucher by the receiving GHA; or
- the family decides to return to the initial GHA's jurisdiction and search for a unit there.

#### 11.4.2 Incoming Portables

GHA may absorb or administer some or all incoming portable vouchers based on funding available.

If the GHA decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, the GHA will notify the initial GHA by the initial billing deadline specified on form HUD-52665. The effective date of the HAP contract will be the effective date of the absorption.

The GHA may not change its determination to bill or to absorb a voucher after that without the approval of the initial PHA.

For any family moving into its jurisdiction under portability, the GHA will conduct a new re-certification of family income and composition. However, the GHA will not delay issuing the family a voucher for this reason. Nor will the GHA delay approving a unit for the family until the re-certification process is complete unless the family is an applicant and the GHA cannot otherwise confirm that the family is income eligible for admission to the program in the area where the unit is located.

## **CHAPTER 12: Denial of Assistance to Applicants and Termination of Assistance to Participants**

Links: [24 CFR 982.552\(a\)\(2\)](#); [24 CFR 982.553\(a\)](#)

### **12.1 Evidence and Considerations**

The GHA may consider all relevant circumstances in evaluating a decision to terminate or deny assistance. Evidence of criminal activity includes, but is not limited to, engaging in and/or any record of convictions, arrests, or evictions for suspected criminal activity of household members within the past three years.

The GHA will use the preponderance of the evidence as the standard for making all admission decisions. Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence, can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants, evidence gathered by GHA inspectors and/or investigators, and evidence gathered from the GHA incident reports.

The GHA will consider the following factors prior to making its denial or termination decision:

- Evidence of the applicant or participant's participation in or willingness to participate in social service or other appropriate counseling service programs
- In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully.
  - The GHA will require the applicant/participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.
- Whether the cause of the unfavorable information may be that the applicant/participant is the victim of domestic violence, dating violence, sexual assault or stalking.

- The GHA acknowledges that a victim of domestic violence, dating violence, sexual assault or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to a unit, a prior arrest record) that would warrant denial under the GHA's policies. Therefore, if the GHA makes a determination to deny admission to an applicant family, the GHA will include in its notice of denial/termination a statement of the protection against denial provided by VAWA a description of GHA confidentiality requirements.
- A request that an applicant/participant wishing to claim this protection submit to the GHA documentation meeting the specifications below with her or his request for an informal review for an applicant and an informal hearing for a participant.
- The existence of mitigating factors, such as loss of employment or other financial difficulties.
- If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of admission or termination of assistance, the GHA will determine whether the behavior is related to the disability. If so, upon the family's request, the GHA will determine whether alternative measures are appropriate as a reasonable accommodation. The GHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial or termination.

As a condition of receiving or keeping assistance, a family may agree to remove the culpable family member from the application or unit. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the HCV unit. An incarcerated culpable family member may not be an applicant, participant or guest for five years from incarceration release date. The family must present evidence of the former family member's current address upon GHA request.

## **12.2 Denial of Assistance**

GHA is required to deny admission if the applicant has:

- Engaged in criminal activity or GHA has reasonable cause to believe a household member's current use or pattern of use of illegal drugs or current abuse or pattern of abuse of alcohol may threaten the health, safety, or right to a peaceful enjoyment of the premises by other residents.
  - In determining reasonable cause, GHA will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of

household members related to the use of illegal drugs or the abuse of alcohol. GHA will also consider evidence from treatment providers or community-based organizations providing services to household members.

- Any member of the household has been evicted from federally assisted housing in the last three years for drug related criminal activity.
  - GHA will admit an otherwise-eligible family who was evicted from federally-assisted housing within the past 3 years for drug-related criminal activity, if GHA is able to verify the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by GHA, or the person who committed the crime is no longer living in the household.
- Any household member is currently engaged in the use of illegal drugs. Currently engaged in is defined as any use of illegal drugs during the previous six months.
- Any household member has ever been convicted of drug related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program.
- Any other HUD required reason.

GHA will deny admission to an applicant family if GHA determines the family:

- Has a pattern of unsuitable past performance in meeting financial obligations, including rent within the past three years.
- Has a pattern of disturbance of neighbors, destruction of property, or living or housekeeping habits at prior residences within the past three years which may adversely affect the health, safety, or welfare of other tenants.
- Has a pattern of eviction from housing or termination from residential programs within the past three years (considering relevant circumstances).
- Owes rent or other amounts to this or any other PHA or owner in connection with any assisted housing program.
  - No previous resident may be readmitted unless all previous amounts owed have been paid to public housing authority; but payment of such debt does not necessarily entitle an applicant to eligibility under this section unless GHA has agreed in writing to grant eligibility upon payment of amounts due.
- Misrepresented or does not provide complete information related to eligibility, including income, award of preferences for admission, expenses, family composition or rent.

- Has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program in the last three years.
- The applicant or any member of the applicant household is not a former resident of a public housing authority, or a former participant in the Housing Choice Voucher program, who had a record of lease violations or whose tenancy was terminated by the Housing Authority or private landlord.
- Has engaged in or threatened violent or abusive behavior toward GHA personnel.
  - Abusive or violent behavior towards GHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.
  - Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
- And any other HUD required reason.

If any household member is currently engaged in, or has engaged in any of the following criminal activities, within the past three years, the family will be denied admission:

- Drug-related criminal activity, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.
- Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.
- Other criminal activity means a history of criminal activity involving crimes of actual or threatened persons or property, or a history of other criminal acts, conduct or behavior which would adversely affect the health, safety, or welfare of other residents. For the purposes of this policy, this is construed to mean a member of the current family has been arrested or convicted of any criminal or drug-related criminal activity within the past three years.
- Criminal activity that may threaten the health, safety, or welfare of other tenants, including the possession of illegal firearms.
- Criminal activity that may threaten the health or safety of GHA staff, contractors, subcontractors, or agents.
- Criminal sexual conduct, including but not limited to sexual assault, incest, statutory sexual seduction, open and gross lewdness, or child abuse, and are required by law to register as a sex offender.

### **12.3 Notice of Denial**

GHA will notify applicant families in writing of any decision to deny assistance.

If, based on a criminal record or sex offender registration information an applicant family appears to be ineligible, the GHA will notify the family in writing of the proposed denial and provide the family with 10 calendar days to dispute the accuracy and relevance of the information. If the family does not contact the GHA to dispute the information within that 10 day period, the GHA will proceed with issuing the notice of denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal hearing process.

### **12.4 Denial of Assistance for Noncitizens**

Link: [24 CFR 5.514\(d\)](#)

Denial of assistance based on immigration status is subject to special hearing and notice rules. The GHA will notify applicant families of denial of assistance in accordance with HUD regulations. When GHA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 10 calendar days of the determination. The notice will explain the reasons for the denial of assistance and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with the GHA. The informal hearing with the GHA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice will inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process.

When the GHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the GHA will notify the family of the results of the USCIS verification within 10 business days of receiving the results. The family will have 30 calendar days from the date of the notification to request an appeal of the USCIS results, made by the family directly in writing to the USCIS. The family must provide GHA with a copy of the written request for appeal and proof of mailing within 10 calendar days of mailing the request to the USCIS.



The GHA will send written notice to the family of its right to request an informal hearing within 10 calendar days of receiving notice of the USCIS decision regarding the family's immigration status.

## 12.5 Grounds for Termination

Links: [24 CFR 982.455](#); [24 CFR 982.551](#), [552](#), [553](#); [24 CFR 5.514\(c\)](#); [24 CFR 5.218\(c\)](#); [24 CFR 982.311\(d\)](#); [Notice PIH 2010-3](#); [Notice PIH 2010-50](#); [Notice PIH 2018-24](#)

Termination of assistance for a Program participant may include any or all of the following actions by GHA:

- Refusing to enter into a HAP contract or approve a lease.
- Terminating housing assistance payments under a HAP contract.
- Refusing to process or provide assistance under portability procedures.

GHA must terminate the participant family for the following reasons:

- Family choice

The family may request that the GHA terminate housing assistance payments on behalf of the family at any time.

- Family with Zero Assistance

If the family has received zero assistance in 180 days GHA will terminate assistance. If the participating family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero. The family must notify the GHA of the changed circumstances and request an interim re-certification before the expiration of the 180 day period.

- Eviction

Link: [24 CFR 982.552\(b\)\(2\)](#), [24 CFR 5.2005\(c\)\(1\)](#)

The GHA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

- Failure to provide consent/Recinding consent previously provided

Link: [24 CFR 960.259](#)

The GHA will terminate the lease if any family member fails to sign and submit any consent form s/he is required to sign for any reexamination or recinds consent previously provided.

- Failure to document citizenship

Link: [24 CFR 5.514](#); [24 CFR 960.259](#)

The GHA will terminate the lease if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family, resulting in no eligible family members

If the GHA determines that a family member has knowingly permitted an ineligible individual to reside in the family's unit on a permanent basis.

- Failure to Disclose SSN:

Link: [24 CFR 5.218](#), [24 CFR 960.259](#)

The GHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the family's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family or other emergency, if there is a reasonable likelihood that the family will be able to disclose an SSN by the deadline.

- Threat to Other Participants

The GHA will terminate the lease when any household member engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other participants or by persons residing in the immediate vicinity of the premises. Immediate vicinity means within a three-block radius of the premises.

- Methamphetamine Conviction:

Link: [24 CFR 966.4](#)

The GHA will immediately terminate the lease if GHA determines that any household member has ever been convicted of manufacture or production of methamphetamine in any location, and/or on the premises of federally assisted housing.

- Furnishing False or Misleading Information Concerning Illegal Drug Use or Alcohol Abuse or Rehabilitation

The GHA will terminate the lease if the GHA determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

- Other Serious or Repeated Violations of the Family Obligations of the HCV Program

- Fugitive Felon or Parole Violator

If a participant is 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, is a high misdemeanor; or violating a condition of probation or parole imposed under federal or state law.

- Persons subject to sex offender registration requirement.

If any member of the household has, during their current participation in the HCV program, become subject to a registration requirement under a state sex offender registration program, regardless whether it is for life time or not.

- Crime On or Off the Premises

- Drug related convictions: Alcohol related convictions (if it indicates an ongoing pattern); Fraud;
- Acts of violent behavior convictions, and or Crimes of violent behavior

Applicants/participants must report any convictions from criminal activity which occurs after the application review (this includes residents, participants and those that have not yet moved into GHA assisted housing program(s)).

GHA will allow applicants and participants to address and present mitigating circumstances regarding criminal background checks prior to final decision.

#### HCV Program Violations That May Lead to Termination

- Discovery of facts after admission to the program that would have made the participant ineligible.
- Discovery of false statements or fraud by the participant in connection with an application for assistance or with a reexamination of income.
- Failure to furnish such information and certifications regarding family composition and income as may be necessary for the GHA to make determinations with respect to rent, eligibility, and unit size. This includes if an adult member of the family recinds or revokes consent previously provided by signature of the HUD Form 9886A.
  - Information not provided: After issuance of the termination notice, but before the effective date of the termination, the participant may provide the missing data. It is solely GHA's discretion whether to accept the data or to proceed with termination.
- Missed appointments per policy and procedure requirements.
- Failure to transfer to an appropriate size unit based on family composition, upon notice by the GHA that such a move is required for HQS/NSPIRE compliance.
- Failure to permit access to the unit by the GHA after proper advance notification for the purpose of performing routine inspections.

- Failure to inform the GHA within 30 days of the birth, adoption or court-awarded custody of a child.
- If the family has breached the terms of a repayment agreement entered into with the GHA.
- If a household member has engaged in or threatened violent or abusive behavior toward GHA personnel.
  - Abusive or violent behavior towards GHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.
  - Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
- Furnishing false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.
- If the family does not remedy family-caused HQS/NSPIRE failures in the required timeframe.
- If the family does not allow GHA to inspect the unit at reasonable times and after reasonable notice.
- If any family member commits lease violations, including but not limited to:
  - If the family does not give proper notice to GHA and the owner before moving out of the unit.
  - The family does not give GHA a copy of any owner eviction notice as required in this Administrative Plan.
  - If the family is not using the assisted unit for residence by the family and/or the assisted unit is not the family's only residence.
  - If the family has non-approved persons residing in the unit.
  - If the family does not promptly notify GHA that a family member no longer resides in the assisted unit.
  - If the family engages in profit making activities in the assisted unit which are not incidental to the primary residential use of the unit.
    - Limitation on Profit Making Activity in the Unit:
    - If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it is considered a violation.
    - If GHA determines that the use of the unit as a business is not incidental to its use as a dwelling unit.

- If the family subleases, lets, assigns the lease or transfers the unit.
  - If the family does not notify GHA of an absence from the unit, and if the family does not provide GHA any requested information regarding the absence.
  - If the family owns or has any interest in the unit.
- If any family member is receiving or received Section 8 participant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative housing assistance program.
  - If the family breaches an agreement with GHA to pay amounts owed to GHA or amounts paid to an owner by GHA.
  - Insufficient ACC funding to support continued assistance for families in the program. In such event, GHA will follow the procedures outlined in GHA's Management Procedures.
  - If the family fails to disclose to GHA any HUD notification it has received regarding discrepancies in the amount or verification of family income.

Any other HUD required reason.

## **12.6 Termination Notification**

In any case where the GHA decides to terminate assistance to the family, the GHA will give both the family and the owner a 30-day written termination notice. However, if a family vacates the unit without informing the GHA, 30 days-notice will not be given. In these cases, the notice to terminate will be sent and effective at the time the GHA learns the family has vacated the unit. The notice of termination will state:

- Specific reasons for the termination
- Effective date of the termination
- Family's right to request an informal hearing
- Family's responsibility to pay the full rent to the owner if it remains in the assisted unit after the termination effective date
- Protection Rights under the Violence Against Women's Act

If termination is due to criminal activity, the GHA will make available for review by the participant any criminal record used in the determination.

When a family requests to be terminated from the program they must do so in writing to the GHA. The GHA will then send a confirmation notice to the family and the owner within 10 days

of the family's request, but no later than the termination effective date (as requested by the family).

## **12.7 Removal of a Family Member from the Application**

Link: [24 CFR 982.552\(c\)\(2\)\(ii\)](#)

As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

After admission to the program, the family must present evidence of the former family member's current address upon GHA request.

## **12.8 Reasonable Accommodation Related to Denials or Terminations**

Link: [24 CFR 982.552\(2\)\(iv\)](#)

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

When applicants with disabilities are denied assistance, the notice of denial must inform them of GHA's informal review process and their right to request a review. In addition, the notice will inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal review process. If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, GHA will determine whether the behavior is related to the disability. If so, upon the family's request, GHA will determine whether alternative measures are appropriate as a reasonable accommodation. GHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance.

## **12.9 Repayment Agreements**

Link: [PIH Notice 2018-18](#)

If a family owes amounts to the GHA, as a condition of continued occupancy, the GHA may require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the GHA of the amount owed.



Any repayment agreement between the GHA and a family must be signed and dated by the GHA and by the head of household and spouse/co-head (if applicable). If the family chooses to enter into a repayment agreement, the GHA will require a minimum down payment of 20% of the amount owed. The term of repayment agreement will not exceed twenty-four (24) months, except as provided below. In no event will the GHA enter into a repayment agreement for retroactive rents whereby the monthly amount of the repayment plus TTP is greater than 40% of the family's adjusted monthly income.

### **Repayment Agreement Options**

Tenants can repay in a lump sum; through a Repayment Agreement (installment payments), or a combination: paying a lump sum when the Repayment Agreement is signed and the remainder in monthly payments not to exceed 24 months.

### **Creating and Reporting Tenant Repayment Agreements**

The total the tenant pays, for a combination of the TTP and the Repayment Agreement, will not exceed 40% of the family's monthly adjusted income for contract purposes but if the family wishes to pay more than the contract amount, they can.

The repayment agreement will be renegotiated when financial circumstances of the household change.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the GHA will terminate the family's tenancy and utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil lawsuit
- State income tax set-off program

### **Rules Governing Payments and Changes to Existing Agreements**

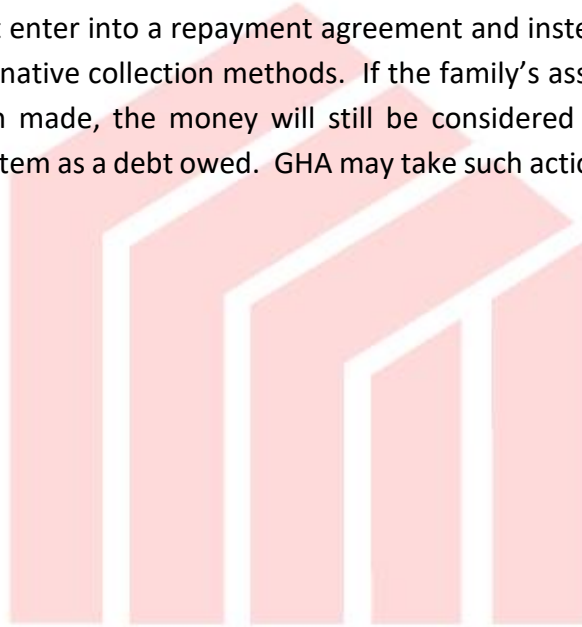
A Repayment Agreement is a contract; the only provision for revising it is if the household's income changes.

The GHA generally will not enter into a repayment agreement with a family if:

- There is already a repayment agreement in place with the family;
- GHA determines that the family committed program fraud;

- The amount of the calculated payment based on tenant rent and repayment amount not exceeding the 40% maximum rent burden is insufficient to satisfy the debt within the 24 month period;
- The amount is greater than \$5,000, or the amount owed by the family exceeds the federal or state threshold for criminal prosecution.

GHA may at any time not enter into a repayment agreement and instead terminate the family's tenancy and pursue alternative collection methods. If the family's assistance is terminated and repayment has not been made, the money will still be considered to be owed and may be reported in HUD's EIV system as a debt owed. GHA may take such action, as necessary, to collect the amounts owed.



QUADEL  
CONSULTING

## CHAPTER 13: Informal Reviews and Informal Hearings

GHA provides a copy of the Informal Review and Hearing procedures in the family briefing packet. When possible and allowed by regulation/law, GHA may conduct administrative reviews of informal hearing/review requests and provide alternate resolutions at its discretion before proceeding with the family's request for a review or hearing.

### 13.1 Informal Review Policy

Links: [24 CFR 982.554](#);

An applicant may request an informal review of the GHA's decision to deny the applicant's participation in the Housing Choice Voucher Program. Reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract. The exception is that when an applicant is denied assistance for citizen or eligible immigrant status, the applicant is entitled to an informal hearing.

An applicant may request an informal review if the applicant:

- Is denied listing on the waiting list or for a preference
- Is denied a voucher
- Is denied participation in the Program including portability

Informal reviews will not be granted to applicants who dispute:

- The unit size (number of bedrooms) stated on the voucher.
- A determination that a unit does not comply with Housing Quality Standards/NSPIRE including space requirements.
- A determination that a proposed lease is unacceptable.
- A decision to not approve a request for an extension of the term of the voucher.
- General policy issues, class grievances, or discretionary administrative determinations.

When the GHA determines that an applicant is ineligible for the program GHA will notify the applicant of their ineligibility in writing. The notice will contain:

- Reason(s) the family is ineligible
- Procedure for requesting a review if the applicant does not agree with the decision
- Time limit for requesting a review: The applicant must submit the written request for an informal review within 10 calendar days of the date of the denial notice.
- Protections under the Violence Against Women's Act
- If the request is not submitted timely, it will mean that the applicant waived his/her right to request an informal review.

Informal review requests must be made in writing within the 10 calendar days from the date of the GHA's denial. The informal review will be conducted by a person or panel including other than the one who made the decision under review or a subordinate of this person. The applicant will be provided an opportunity to present written or oral objections to the decision of the GHA. The review decision will be based only on evidence presented at the review by both parties. Evidence presented after the review will not be considered. Extensions for evidence will not be granted.

The person or panel conducting the informal review will make a recommendation to the GHA, but the GHA Executive Director is responsible for making the final decision as to whether admission should be granted or denied. If the informal review decision overturns the denial, processing for admission will resume.

If the family fails to appear for their informal review, the denial of admission will stand and the family will be so notified.

### **13.2 Informal Hearing Policy**

Link: [24 CFR 982.555](#)

Informal hearings may be requested for the following reasons:

- Determination of the amount of the total tenant payment or tenant rent
- Determination of hardship regarding minimum rent
- Decision to terminate assistance
- Decision to deny a family move
- Appropriate utility allowance used from schedule
- Family unit size under GHA subsidy standards
- Termination of a family's FSS Contract, withholding supportive services, or proposing forfeiture of the family's escrow account

The GHA will attempt to resolve disputes informally whenever possible prior to conducting the informal hearing. However, the participant may request an informal hearing in addition to or in lieu of the informal review.

GHA is not required to provide an informal hearing in the following cases:

- Discretionary administrative determinations by GHA, or to consider general policy issues or class grievances
- Determination that the unit does not comply with GHA's Housing Quality Standards including space requirements for family size, that the owner failed to maintain the unit in a decent, safe, and sanitary manner in accordance with the Housing Quality Standards//NSPIRE, (including all services, maintenance, and utilities required under the lease).
- Decision to exercise any remedy against the owner under an outstanding contract, including the termination of Housing Assistance Payments to the owner
- Decision not to approve a family's request for an extension of the term of the Voucher issued to an assisted family which wants to move to another dwelling unit with continued participation
- Establishment of GHA schedule of utility allowances for families in the program
- Disapproval of unit or lease

When the GHA determines that a participant should be terminated from the program, GHA will notify the participant of their proposed termination in writing. The notice will contain:

- Reason(s) for and timing of termination,
- The date the proposed action will take place
- Procedure for requesting a hearing if the participant does not agree with the decision
- Tenant Protections under VAWA.

Time limit for requesting a hearing: The participant must submit the written request for an informal hearing within 10 calendar days of the date of the termination notice.

### **13.3 Conducting Informal Hearings**

GHA hearings will be conducted by a single hearing officer or a panel. The GHA will appoint a person or panel who has/have been selected in the manner required under the hearings procedure.

Hearings may be attended by the following applicable persons:

- A GHA representative(s)
- Any witnesses for the GHA
- The participant
- Any witnesses for the participant
- The participant's counsel or other representative

- If the participant is bringing legal counsel to the informal hearing, the participant must notify GHA at least 24 hours in advance of the hearing.
- Any other person approved by the GHA will be as a reasonable accommodation for a person with a disability.

The GHA may conduct informal reviews telephonically, via video-teleconferencing, or through other virtual platforms provided that the family has not requested in-person informal hearing. Prior to scheduling a remote informal hearing, the GHA will survey the family to determine if technology barriers exist that would limit the family's ability to participate in the hearing. If the participant does not have proper technology access, then the remote hearing will either be postponed until the GHA can resolve the access issue(s), or an in-person alternative will be provided.

#### 13.3.1 Hearing Decision

In rendering a decision, the hearing officer/panel will consider the following matters:

- GHA Notice to the Family
- GHA Evidence to Support the GHA Decision
- Participant Presented Evidence
- Validity of Grounds for Program Termination

#### 13.3.2 Invalid Decisions

When the GHA considers the decision of the hearing officer/panel to be invalid based on HUD regulations and GHA Policy, the Executive Director will send a notice to all parties attending the hearing that the decision is null and void. The notice will set a date and time for a new hearing.

#### 13.3.3 Rights of the Applicant/Participant and GHA

The applicant/participant must appear in person at the review/hearing and may be represented by an attorney, or other representative, at his/her own expense. If the family is being represented by an attorney, the family must notify GHA of such 24 hours in advance of the review/hearing.

- The applicant/family and GHA have the right to present evidence, both oral and written.
- The applicant/family and GHA have the right to question any witnesses, and the right to state his/her case prior to the hearing officer's decision.
- The applicant/family has the right to arrange for an interpreter to attend the review/hearing, at his/her own expense.



- The applicant/family has the right to seek redress directly through judicial procedures of the court.
- GHA has the right to make final submissions.

The applicant/family and GHA have the right to review any documents directly relevant to the review/hearing. Review of documents will take place at the GHA office. Copying of any documents will be at the expense of the requesting party at .25 per copy. If the applicant/family or GHA does not make the document available for examination on the request of the other party, that document may not be relied on during the review/hearing.

#### 13.3.4 Review/Hearing Process

The review/hearing will follow the following guidelines:

- The review will be conducted by any person or persons designated by GHA, other than a person who made or approved the decision under review or a subordinate of this person.
- All GHA Denial and Termination notices will advise the applicant/family of his/her right to a review/hearing and the process to request a review/hearing.
- The applicant/family must request the informal review/hearing in writing within the required time frame (10 calendar days after receipt of notice from the GHA).
- GHA will schedule the hearing within a reasonable timeframe, preferably before the effective termination date. If the hearing cannot be scheduled before the effective termination date, the effective termination date may be extended, based solely on the reason for the delay and at the sole discretion of GHA.
- The notification of hearing will contain:
  - Date and time of the hearing
  - Location where the hearing will be held
  - Family's right to bring evidence, witnesses, legal or other representation at the
  - Right to view any documents or evidence in the possession of GHA and upon which GHA based the proposed action and, at the family's expense, to obtain a copy (at \$.25 per copy) of such documents prior to the hearing. Requests for such documents or evidence must be received no later than 5 business days before the hearing date.

- If a family does not appear at a scheduled review/hearing and has not rescheduled the hearing in advance, the hearing officer will assume the family is no longer interested in the program and will uphold the denial/termination.
- The applicant/family will be given an opportunity to present written or oral objections to GHA's decision.
- GHA will notify the applicant/family of the GHA final decision after the informal review/hearing, including a brief statement of the reasons for the final decision.
- The Notice will contain the following information:
  - Applicant/family name
  - Applicant/family address
  - Date
  - Date and time of review/hearing
  - Names of everyone in attendance at review/hearing
  - Final decision
  - Brief statement of the reason(s) for the final decision
  - HUD regulation for the denial/termination (if upholding the denial/termination)
  - Effective date of denial/termination (if applicable)
- A hearing decision letter will also be sent to the owner, stating whether the termination was upheld or overturned. The notice to the owner will contain the following information:
  - Family name
  - Unit address
  - Effective date of termination or
  - Effective date of re-instatement
- All requests for review, supporting documentation, and a copy of the final decision will be filed in the family's file.

#### 13.3.5 Decisions Not Binding to GHA

GHA is not bound by a review/hearing decision on the following matters:

- A matter for which GHA is not required to provide an opportunity for an informal review/hearing or otherwise in excess of the GHA of the person conducting the review/hearing.

- A decision given contrary to HUD regulations, requirements, or otherwise contrary to Federal, State or Local law.

In the event that a review/hearing decision is not binding to GHA, the Executive Director or his/her designee will send a notice to all parties attending the review/hearing that the decision is null and void. The notice will set a date and time for a new hearing.

#### 13.3.6 Hearing Provisions for Restrictions on Assistance to Non-Citizens

Assistance to the family will not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision of the USCIS appeal.

Assistance to a family will not be terminated or denied while the GHA hearing is pending; however assistance to an applicant may be delayed pending the GHA hearing.

### 13.4 USCIS Determination of Ineligibility

If a family member claims to be an eligible immigrant, and the USCIS SAVE system and manual search do not verify the claim, GHA will notify the applicant/family within ten calendar days of their right to appeal to the USCIS within thirty calendar days or to request an informal hearing with GHA either in lieu of or subsequent to the USCIS appeal.

If the family appeals to the USCIS, they must give GHA a copy of the appeal and proof of mailing, or GHA may proceed to deny or terminate. The time period to request an appeal may be extended by GHA for good cause. Good cause includes medical emergency, employment emergency, family emergency, etc. The emergency must be documented in writing (doctor's statement, employer statement, independent agency statement, etc.)

The request for a GHA hearing must be made within 10 business days of receipt of the notice offering the hearing or, if an appeal was made to the USCIS, within 10 business days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this Plan for both applicants and families. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the GHA will:

- Deny the applicant family.
- Terminate the family if the family does not qualify for deferral.

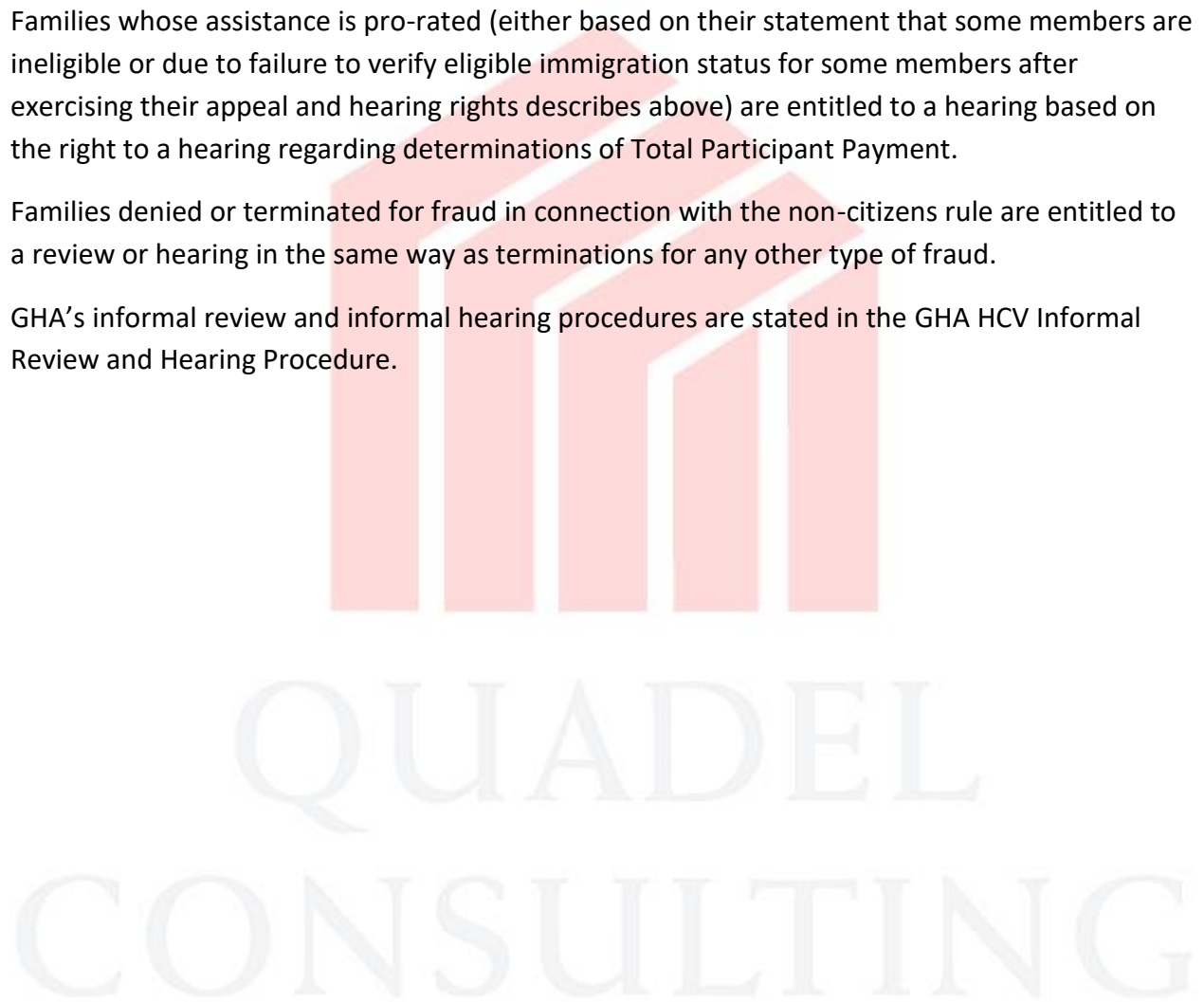
If there are eligible members in the family, the GHA will offer to prorate assistance or give the family the option to remove the ineligible members.

If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

Families whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights describes above) are entitled to a hearing based on the right to a hearing regarding determinations of Total Participant Payment.

Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

GHA's informal review and informal hearing procedures are stated in the GHA HCV Informal Review and Hearing Procedure.



## CHAPTER 14: Program Integrity

Link: 24 CFR [982.552\(c\)\(iv\)](#); [24 CFR 985](#)

As a public service agency, GHA is committed to providing excellent service to HCVP participant families and owners. GHA anticipates the vast majority of families, owners, and GHA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors. GHA's standards include:

- Administer applicable federal and state laws and regulations to achieve high ratings in compliance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of families served.
- Provide decent, safe, and sanitary housing, in compliance with HQS/NSPIRE program, for very low-income families while ensuring family rents are fair, reasonable, and affordable.
- Encourage self-sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human service needs.
- Promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
- Promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low-income families.
- Promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.
- Create positive public awareness and expand the level of family, owner, and community support in accomplishing GHA's mission.
- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.
- Administer an efficient, high-performing agency through continuous improvement of GHA's support systems and commitment to our employees and their development.
- Assist the local economy by increasing the occupancy rate and the amount of money flowing into the community.
- Ensure all units meet HQS /NSPIRE and families pay fair and reasonable rents.

The responsibilities and expectations of GHA staff with respect to normal program administration are discussed throughout this plan. GHA staff is expected to act professionally

at all times, within HCVP rules, GHA policies including conflict of interest, ethics and confidentiality standards, and in accordance with GHA's Personnel Policy. The GHA anticipates that the majority of families and GHA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors. To ensure that the GHA's program is administered effectively and according to the highest ethical and legal standards, the GHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare. The GHA will:

- Provide each applicant and participant with a copy of "Is Fraud Worth It?"
- Provide each applicant and participant with a copy of "What You Should Know about EIV", and require receipt confirmation
- Review and explain the contents of all HUD and GHA required forms prior to requesting family member signatures
- Place a warning statement about the penalties for fraud on key GHA forms and letters that request information from a family member
- Provide each GHA employee with the necessary training on program rules and the organization's standards of conduct and ethics

#### **14.1 Detecting Errors and Program Abuse**

The GHA will employ a variety of methods to detect errors and program abuse, including:

- Using the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the GHA's error detection and abuse prevention efforts.
- Encouraging staff, participants, and the public to report possible program abuse.
- Reviewing all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation.
- Investigating inconsistent information related to the family that is identified through file reviews and the verification process.

For each investigation the GHA will determine:

- Whether an error or program abuse has occurred
- Whether any amount of money is owed the GHA
- What corrective measures or penalties will be assessed



## 14.2 De Minimis Errors

De minimis errors occur when the GHA determination of a family's income deviates from the correct income determination by no more than \$30 per month in monthly adjusted income (or \$360 in annual adjusted income).

As the GHA become aware of the existence of an income calculation error, it will correct the error(s) retroactive to the effective date of the action the error was made. Depending upon the family circumstances and when errors are detected, the GHA may take one of the following corrective actions to credit or repay the family.

- Repay the family the tenant portion overpayment
- This may be performed if the family no longer resides in the same unit or a unit under the same ownership as when the family overpayment was made.
- Apply the family a credit to reduce the amount of tenant rent to owner until the amount of family overpayment has been met.
  - This may be performed if the family continues to reside in the same unit as when the overpayment was made.

Families will not be required to repay the GHA in instances where the GHA miscalculated income resulting in a family being undercharged for rent.

## 14.3 Consideration of Remedies

All errors and instances of program abuse will be corrected prospectively. Whether the GHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

In the case of family-caused errors or program abuse, the GHA will take into consideration:

- The seriousness of the offense and the extent of participation or culpability of individual family members
- Any special circumstances surrounding the case
- Any mitigating circumstances related to the disability of a family member
- The effects of a particular remedy on family members who were not involved in the offense

### **14.3 Notice and Effective Dates**

The GHA will inform the relevant party in writing of its findings and remedies at the conclusion of the investigation.

The notice will include:

- A description of the error or program abuse,
- The basis on which the GHA determined the error or program abuses,
- The remedies to be employed, and
- The family's right to appeal the results through an informal review or informal hearing.

Increases in the participant rent will be implemented retro-actively to the date of the un-reported increase. The participant may or may not be offered a repayment agreement, based on the seriousness and length of the unreported income.

Any decreases in participant rent will become effective the first of the month following the discovery or retro-actively if due to GHA error.

In the case of family-caused errors or program abuse, the family will be required to repay any amounts of rent underpaid. The GHA may offer the family a repayment agreement. If the family fails to repay the amount owed, the GHA will terminate the family's assistance.

The GHA will reimburse a family for any family overpayment of rent.

### **14.4 Family Prohibited Actions**

Any of the following will be considered evidence of family program abuse:

- Offering bribes or illegal gratuities to the GHA Board of Commissioners, employees, contractors, or other GHA representatives
- Offering payments or other incentives to a third party as an inducement for the third party to make false or misleading statements to the GHA on the family's behalf
- Use of a false name or the use of falsified, forged, or altered documents
- Intentional misreporting of family information or circumstances (e.g., misreporting of income or family composition)
- Omitted facts that were obviously known by a family member (e.g., not reporting employment income)
- Admission of program abuse by an adult family member

- The GHA may determine other actions to be program abuse based upon a preponderance of the evidence.

## **14.5 GHA Prohibited Activities**

Any of the following will be considered evidence of program abuse by GHA staff:

- Failing to comply with any HCV program requirements for personal gain
- Failing to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant or participant
- Seeking or accepting anything of material value from applicants, participants, owners, vendors, contractors, or other persons who provide services or materials to the GHA
- Disclosing confidential or proprietary information to outside parties
- Gaining profit as a result of insider knowledge of GHA activities, policies, or practices
- Misappropriating or misusing HCV funds
- Destroying, concealing, removing, or inappropriately using any records related to the HCV program
- Committing any other corrupt or criminal act in connection with any federal housing program

When the GHA determines that program abuse by a family or GHA staff member has occurred and the amount of underpaid rent meets or exceeds the threshold for prosecution under local or state law, the GHA will refer the matter to the appropriate entity for prosecution. When the amount of underpaid rent meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the HCV program will be referred to the appropriate local, state, or federal entity.

## **14.6 Owner Prohibited Activities**

Link: [Title 18 U.S.C. Section 1001](#)

An owner participating in the HCV program must not:

- Make any false statement to the GHA.
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

Any of the following will be considered evidence of owner program abuse:

- Charging the family rent above or below the amount specified by the GHA;
- Charging a security deposit other than that specified in the family's lease;
- Charging the family for services that are provided to unassisted tenants at no extra charge;
- Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit;
- Knowingly accepting incorrect or excess housing assistance payments;
- Offering bribes or illegal gratuities to the GHA Board of Commissioners, employees, contractors, or other GHA representatives;
- Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to the GHA; or
- Residing in the unit with an assisted family.

#### 14.6.1 Owner Remedies and Penalties

In the case of owner-caused errors or program abuse, the GHA will take into consideration (1) the seriousness of the offense; (2) the length of time since the violation has occurred; and (3) the effects of a particular remedy on family members who were not involved in the offense.

When the GHA determines that the owner has committed program abuse, the GHA may take any of the following actions:

- Terminate the HAP contract.
- Bar the owner from future participation in any GHA programs.
- Refer the case to state or federal officials including the HUD Office of Inspector General (HUD-OIG for criminal prosecution.
- Require the owner to repay excess housing assistance payments.

GHA may recover overpaid amounts by withholding housing assistance payments due for subsequent months. If the debt is large, the GHA A may allow the owner to pay in installments over a period of time.

#### 14.6.2 Corrections to Subsidy Payments

When an incorrect subsidy is identified as a result of an error, program fraud, misrepresentation or abuse, GHA will promptly correct the subsidy under- or overpayment. A subsidy under- or overpayment includes:

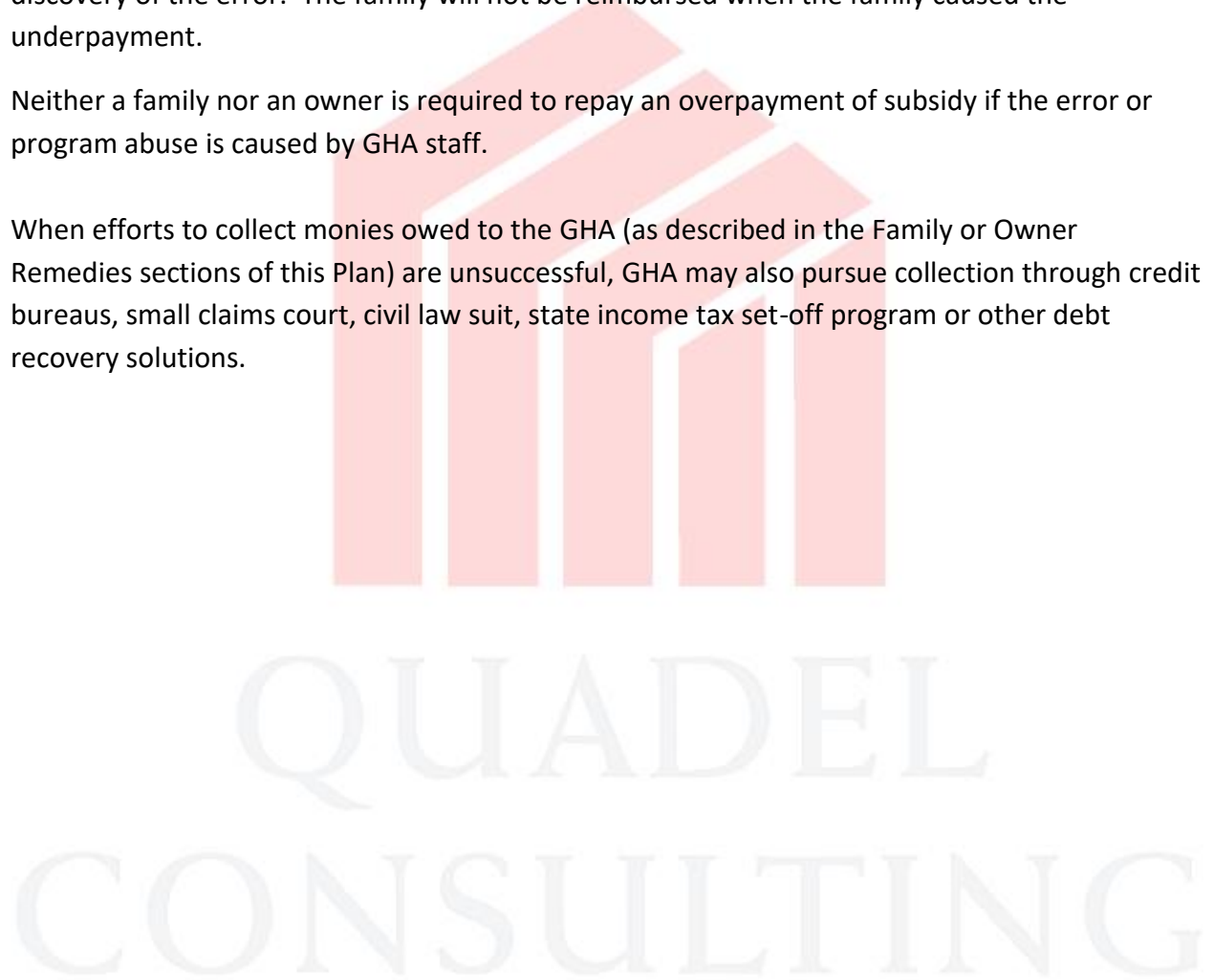
- An incorrect housing assistance payment to the owner;

- An incorrect family share established for the family; and
- An incorrect utility reimbursement to a family.

Families and owners will be notified of corrective actions and penalties, if any. Increases in the family share will be implemented only after the family has received 30 days advanced notice. Any decreases in family share will become effective the first of the month following the discovery of the error. The family will not be reimbursed when the family caused the underpayment.

Neither a family nor an owner is required to repay an overpayment of subsidy if the error or program abuse is caused by GHA staff.

When efforts to collect monies owed to the GHA (as described in the Family or Owner Remedies sections of this Plan) are unsuccessful, GHA may also pursue collection through credit bureaus, small claims court, civil law suit, state income tax set-off program or other debt recovery solutions.



## CHAPTER 15: Homeownership

Link: [24 CFR 982.625](#)

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. There are two forms of homeownership assistance a PHA may offer under this option: monthly homeownership assistance payments or a single down payment assistance grant. PHAs may choose to offer either or both forms of homeownership assistance or choose not to offer either. If a PHA offers both forms of assistance, a family must choose which form of assistance to receive. The GHA offers monthly homeownership assistance payments. However, if necessary, as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities, the GHA must offer single down payment assistance. The GHA must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. GHA may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where GHA has otherwise opted not to implement a homeownership program. GHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

### 15.1 Family Eligibility

Link: [24 CFR 982.267](#)

The family must meet all of the requirements listed below before the commencement of homeownership assistance.

- The family must have been admitted to the Housing Choice Voucher program.
- The family must qualify as a first-time homeowner or may be a cooperative member.
- The family must meet the federal minimum income requirement.
  - The family must have a gross annual income equal to the federal minimum wage multiplied by 2000 based on the income of adult family members who will own the home.
  - For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone multiplied by 12.
  - GHA may establish a higher income standard for families. However, a family that meets the federal minimum income requirement (but not GHA's requirement) will be considered to meet the minimum income requirement if it can



demonstrate that it has been pre-qualified or pre-approved for financing that is sufficient to purchase an eligible unit.

- For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. Welfare payments will not be included for other families.
- The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (not less than an average of 30 hours per week) and has been continuously so employed during the year before commencement of homeownership assistance for the family.
  - The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family, includes a person with disabilities, GHA must grant an exemption from the employment requirement if GHA determines that it is needed as a reasonable accommodation.
- The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option.
- Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with [24 CFR 982.631\(c\)](#).

## **15.2 Selection of Families**

Unless otherwise provided (under the homeownership option), GHA may limit homeownership assistance to families or purposes defined by GHA and may prescribe additional requirements for commencement of homeownership assistance for a family. If GHA limits the number of families that may participate in the homeownership option, GHA must establish a system by which to select families to participate.

## 15.3 Eligible Units

Link: [24 CFR 982.628](#)

In order for a unit to be eligible, GHA must determine that the unit satisfies all of the following requirements:

- The unit must meet HUD's eligible housing requirements and may not be any of the following:
  - A public housing or Indian housing unit;
  - A unit receiving Section 8 project-based assistance;
  - A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
  - A college or other school dormitory;
  - On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
- The unit must be under construction or already exist at the time the family enters into the sale.
- The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
- The unit must have been inspected by GHA and by an independent inspector designated by the family.
- The unit must meet Housing Quality Standards (see Chapter 8).
- For a unit where the family will not own fee title to the real property (such as a manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.
- For PHA-owned units all of the following conditions must be satisfied:
  - GHA must inform the family, both orally and in writing, that the family has the right to purchase any eligible unit and a PHA-owned unit is freely selected by the family without PHA pressure or steering;
  - The unit is not ineligible housing;
  - GHA must obtain the services of an independent agency to inspect the unit for compliance with HQS/NSPIRE, review the independent inspection report, review the contract of sale, and determine the reasonableness of the sales price and any PHA provided financing.
- GHA must not approve the unit if GHA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

## **15.4 Additional GHA Requirements for Search and Purchase**

Link: [24 CFR 982.629](#)

It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. GHA may establish the maximum time that will be allowed for a family to locate and purchase a home and may require the family to report their progress in finding and purchasing a home. If the family is unable to purchase a home within the maximum time established by GHA, GHA may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

### **15.4.1 Homeownership Counseling**

Before commencement of homeownership assistance for a family, the family must attend a GHA Homeownership briefing. The briefing will provide a general overview of the program, discuss the recertification requirements, the continuous need for employment for participants who are not elderly or disabled. GHA may require selected families attend and satisfactorily complete the pre-assistance homeownership and housing counseling program.

## **15.5 Home Inspections, Contract of Sale and Disapproval of Sellers**

Link: [24 CFR 982.631](#)

### **15.5.1 Home Inspections**

GHA may not commence monthly homeownership assistance payments or provide down payment assistance grants for a family until GHA has inspected the unit and has determined that the unit passes HQS/NSPIRE.

An independent professional inspector selected by and paid for by the family must also inspect the unit. The independent inspector may not be a PHA employee, contractor, or other person under control of GHA. However, GHA may establish standards for qualification of inspectors selected by families under the homeownership option. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

GHA may disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with HQS/NSPIRE.

#### 15.5.2 Down Payment

A minimum down payment of 3% is required. At least 1% of the down payment must come from the family's own resources. The family is responsible for the payment of closing costs. However, the family may access FSS escrow funds and other programs to cover some of these costs. In addition to funding 1% of the down payment, the family must also demonstrate that it has the resources to provide for the acquisition of basic household tools and equipment. These include a hammer, screwdriver set, flashlight, toilet plunger, basic lawn equipment and snow removal equipment. The family must also demonstrate that there are kitchen appliances (stove and refrigerator) or that the family has the resources to acquire kitchen appliances. The family must pay the cost of the home inspection and the family's attorney's fees. The family must be current in the payment of its utility obligations and must have the ability to have utilities turned on the name of the mortgagor(s).

#### 15.5.3 Contract of Sale

Before commencement of monthly homeownership assistance payments or receipt of a down payment assistance grant, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the GHA a copy of the contract of sale. The contract of sale must:

- Specify the price and other terms of sale by the seller to the purchaser;
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser;
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser;
- Provide that the purchaser is not obligated to purchase the unit unless the purchaser obtains financing approval;
- Provide that the purchaser is not obligated to pay for any necessary repairs; and
- Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under CFR part 24.

#### 15.5.4 Disapproval of a Seller

In its administrative discretion, the GHA may deny approval of a seller for the same reasons the GHA may disapprove an owner under the regular HCV program [see [24 CFR 982.306\(c\)](#)].

## 15.6 Financing

Link: [24 CFR 982.632](#)

GHA may establish requirements for financing the purchase of a home under the homeownership option. This may include requirements concerning qualification of lenders, terms of financing, restrictions concerning debt secured by the home, lender qualifications, loan terms, and affordability of the debt. A PHA may not require that families acquire financing from one or more specified lenders, thereby restricting the family's ability to secure favorable financing terms.

## 15.7 Continued Assistance Requirements; Family Obligations

Link: [24 CFR 982.633](#)

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, GHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to GHA the homeownership assistance for the month when the family moves out.

Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option. The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home or any refinancing of such debt.
- The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to [24 CFR 982.551 \(h\) and \(i\)](#).
- The family must supply information to GHA or HUD as specified in [24 CFR 982.551\(b\)](#). The family must further supply any information required by GHA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
- The family must notify GHA before moving out of the home.
- The family must notify GHA if the family defaults on the mortgage used to purchase the home.
- No family member may have any ownership interest in any other residential property.
- The family must comply with the obligations of a participant family described in [24 CFR 982.551](#), except for the following provisions which do not apply to assistance under the homeownership option: [24 CFR 982.551\(c\), \(d\), \(e\), \(f\), \(g\) and \(j\)](#).

## 15.8 Maximum Term of Homeowner Assistance

Link: [24 CFR 982.634](#)

Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) will not receive homeownership assistance for more than:

- Fifteen years, if the initial mortgage incurred to finance the purchase of the home has a term of 20 years or longer; or
- Ten years, in all other cases.

The maximum term described above applies to any member of the family who:

- Has an ownership interest in the unit during the time that homeownership payments are made; or
- Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).

If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

## 15.9 Homeownership Assistance Payments and Expenses

Link: [24 CFR 982.635](#)

The monthly homeownership assistance payment is the lower of the voucher payment standard minus the TTP or the monthly homeownership expenses minus the TTP. In



determining the amount of the homeownership assistance payment at initial payment, the GHA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described elsewhere in this plan for the Housing Choice Voucher program. The payment standard for subsequent years will be the higher of: (1) the payment standard in effect at commencement of homeownership assistance; or (2) the payment standard in effect at the most recent regular family reexamination

GHA may pay the homeownership assistance payments directly to the family, or at GHA's discretion, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, GHA must pay the excess directly to the family. Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, a PHA may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

Homeownership expenses (not including cooperatives) only include amounts allowed by GHA to cover:

- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
- Real estate taxes and public assessments on the home;
- Home insurance;
- GHA allowance for maintenance expenses and required Homeowner's Association Fees attached to the ownership of the home;
- GHA allowance for costs of major repairs and replacements;
- GHA utility allowance for the home;
- Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home.
  - If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if GHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person;
- Land lease payments where a family does not own fee title to the real property on which the home is located; [see [24 CFR 982.628\(b\)](#)].
- For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.

Homeownership expenses for a cooperative member may only include amounts allowed by GHA to cover:

- The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
- Home insurance;
- GHA allowance for maintenance expenses;
- GHA allowance for costs of major repairs and replacements;
- GHA utility allowance for the home; and
- Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home.
  - If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if GHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
- Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

## **15.10 Portability**

Link: [24 CFR 982.636](#)

Subject to the restrictions on portability included in HUD regulations and PHA policies, a family may exercise portability if the receiving PHA administers a voucher homeownership program and is accepting new homeownership families. The receiving PHA may absorb the family into its voucher program or bill the initial PHA.

The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing and the physical condition of the unit are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program or if the family is unable to purchase a home within the maximum time established by GHA.

## 15.11 Moving with Continued Assistance

Link: [24 CFR 982.637](#)

In certain circumstances, a family receiving homeownership assistance may move with continued assistance through voucher rental assistance or voucher homeownership assistance. However, continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

GHA may deny permission to move to a new unit with continued assistance as follows:  
Due to lack of funding to provide continued assistance.

In accordance with [24 CFR 982.638](#) regarding denial or termination of assistance.  
In accordance with GHA's policies regarding the denial of moves Chapter 11.3 Family Moves.

GHA must deny the family permission to move to a new unit with continued voucher rental assistance if:

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

## 15.12 Denial or Termination of Assistance

Link: [24 CFR 982.638](#)

At any time, GHA may deny or terminate homeownership assistance in accordance with HCV program requirements in [24 CFR 982.552](#) (grounds for denial or termination of assistance) or [24 CFR 982.553](#) (crime by family members). GHA may also deny or terminate assistance for violation of participant obligations described in [24 CFR Parts 982.551](#) or [982.633](#) and in accordance with its own policy.

The GHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

A participant in the Homeownership Program will be entitled to the same termination notice and informal hearing procedures as set forth in this Administrative Plan.



## CHAPTER 16: Project Based Vouchers

Link: [24 CFR 983](#)

Except as noted in this chapter, the Administrative Plan policies stated for the HCV program also apply to the PBV program.

### 16.1 Overview

A project is a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land. Contiguous in this definition includes “adjacent to”, as well as touching along a boundary or a point. The GHA may provide voucher assistance to project by entering into a Housing Assistance Payment (HAP) contract for a period of up to 15 years for each contracted unit. The GHA may use up to 20 percent of Housing Choice Voucher authorized units for project based assistance. The GHA may increase the use of Project Based Vouchers additional 10 percent for homeless families, families with veterans, supportive housing for persons with disabilities or elderly persons, or in areas where vouchers are difficult to use.

The GHA may include units under a HAP contract that are excluded from the percent cap. In addition to the units excluded under regulation 24 CFR § 983.59, properties that part of the GHA Human Capital Program which include the following services:

### 16.2 Proposal Selection

Link: [24 CFR 983.52\(a\)\(b\)\(c\); §8\(o\)\(13\)\(B\) of the 1937 Act](#)

Prior to issuing a Request for Proposal or selecting a project without following a competition process where the PHA has ownership interest, GHA will submit to the local field office all required information under §8(o)(13)(B) of the 1937 Act. The GHA will select proposals for PBV assistance using either the Request for Proposal method or the Previous Competition method.

#### 16.2.1 GHA Request for Proposals Method for Rehabilitated and Newly Constructed Units

The GHA will advertise request for proposals for rehabilitated and newly constructed housing in local newspaper(s) and on the GHA web site. The advertisement will specify the number of units the GHA estimates that it will be able to assist and the submission deadline. Incomplete proposals will not be considered.

The GHA will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP
- Extent to which the project furthers the GHA goal of deconcentrating poverty and expanding housing and economic opportunities
- The extent to which services for special populations are provided on site or in the immediate area for occupants of the property.
- Projects with less than 25 percent of the units assisted will be rated higher than projects with 25 percent of the units assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, the GHA will rate partially assisted projects on the percent of units that are available to receive assistance. Projects with the lowest percent of assisted units will receive the highest score.

The PBV construction/rehabilitation of the units will be deemed completed when the Owner provides the GHA with a Certificate of Occupancy.

#### *16.2.1.1 Rehabilitated Housing after HAP Contract*

The GHA will not enter into a PBV HAP contract for rehabilitated housing that allows for development activity to occur after the HAP contract execution unless specified in the AHAP as a phased acceptance of units.

#### *16.2.2 GHA Requests for Proposals for Existing Housing Units*

The GHA will advertise proposals for existing housing in local newspaper(s) and on the GHA web site. The advertisement will specify the number of units the GHA estimates will be able to assist. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program
- Extent to which the project furthers the GHA goal of deconcentrating poverty and expanding housing and economic opportunities
- If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property
- Extent to which units are occupied by families that are eligible to participate in the PBV program.



### 16.2.3 GHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The GHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.

In addition to, or in place of advertising, the GHA may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The GHA will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers the GHA goal of deconcentrating poverty and expanding housing and economic opportunities
- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.

## 16.3 Notice of Owner Selection

Link: [24 CFR 983.51\(d\)](#)

GHA will notify the selected owner in writing of the owner's selection for the PBV program pursuant to HUD requirements. GHA will notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

The GHA will make available its rating and ranking sheets and documents that identify the GHA basis for selecting the proposal for one month after publication of the notice. The GHA will not include sensitive owner information, such as financial statements, etc.

The GHA will make these documents available for review at the GHA during normal business hours. The cost for reproduction of allowable documents will be \$.25 per page.

## 16.4 Agreement to Enter into HAP Contract

Link: [24 CFR 983.152](#)

For rehabilitated or newly constructed units, GHA will enter into an Agreement to Enter into a HAP Contract with the property owner. In the Agreement the owner agrees to develop the PBV

contract units to comply with HQS/NSPIRE, and the GHA agrees that upon timely completion of development the GHA will enter into a HAP Contract with the owner for the contract units.

The GHA will enter into the Agreement with the owner after receiving both environmental review approval and notice that subsidy layering requirements have been met and before construction or rehabilitation work is started. Additional owner documents may be required. GHA will specify any additional documentation requirements in the Agreement.

For existing housing, the HAP contract will be executed after GHA determines that all units pass HQS/NSPIRE.

## **16.5 Site Selection Standards**

Link: [24 CFR 983.57\(b\)](#)

GHA will follow HUD regulations regarding site selection requirements for existing housing, newly constructed housing and rehabilitated housing. Before entering into an agreement or HAP contract GHA will determine that the PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities.

In developing standards to apply in determining whether a proposed PBV development will be selected, GHA will consider the following:

- If the poverty rate in the proposed PBV development area is greater than 20%, GHA will consider whether in the past five years there has been an overall decline in the poverty rate;
- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization;
- A census tract where there are meaningful opportunities for educational and economic advancement.

- The site meets HQS/NSPIRE standards.
- Other factors as determined by GHA to meet the needs of the community.

#### 16.5.1 GHA Owned Units

Link: [24 CFR 983.51\(e\)](#), [983.59](#)

HUD or a HUD-approved independent entity must review the selection process for GHA owned units to confirm appropriate selection. Initial rents and annual rent changes for GHA-owned units will be determined by the independent entity based on PBV program requirements. The term of the HAP contract and any HAP contract renewal must be agreed upon by GHA and the independent entity. HQS/NSPIRE inspections will be performed by the independent entity.

Where the GHA is the owner and development activity or substantial improvement is completed prior to the execution of the HAP contract, an independent entity will review and certify the completion of development activity. This certification will take the form of an executed certification which will include the following information: Site Address, Inventory of Units (including location and size), work completed, completion date, inspection date, inspection standard, name of inspector.

#### 16.5.2 Eligible Units/Cap on PBV Units

Link: [24CFR 983.52](#), [24 CFR 983.56\(a\)](#)

Project based assistance may be attached to up to 25% of the total number of units in a project. Project is defined as a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land. Units specifically made available to the homeless, veterans, disabled and / or elderly families, or that are for families eligible to receive supportive services (whether receiving services or not) are excepted from the maximum number of assisted units per project.

Supportive services that may be offered to a member of a qualified household include, but are not limited to, the following:

- Meal service adequate to meet nutritional need
- Housekeeping aid
- Personal assistance

- Physical Activity and other health related classes
- Educational and employment services
  - job training
  - computer skills
  - resume assistance
  - GED preparation
  - ESL Classes
  - financial literacy
- Services offered through the Family Self Sufficiency Program
- Other services designed to help the recipient live in the community as independently as possible.

Supportive services will be offered throughout the family's tenancy in the excepted unit. The family may continue to reside in the exempted unit following the successful completion of supportive services or when supportive services are no longer required. The PBV Property Management will monitor the excepted family's continued receipt of supportive services and will provide an update to the GHA on families that fail without good cause to complete their supportive services requirement. The unit loses its excepted status if the family becomes ineligible for the supportive services during its tenancy, provided that: (i) the family becomes ineligible for all supportive services available to the family, and (ii) the family becomes ineligible for reasons other than successfully completing the supportive services objective. In such event, the GHA may:

- Reduce the number of excepted units
- Substitute the excepted unit for a non-excepted unit
- Temporarily remove the unit from the PBV HAP contract and provide the family with tenant-based assistance

## **16.7 Housing Assistance Payments (HAP) Contracts**

Link: [24 CFR 983.152](#)

### **16.7.1 Term of the HAP Contract**

The term of all PBV HAP contracts will be no less than one year, and no more than 20 years, and will be negotiated with the owner on a case-by-case basis. Contracts may be extended for an additional term(s) not to exceed a total of 20 years (40 cumulative years).

### 16.7.2 Extending the HAP Contract

When determining whether or not to extend an expiring PBV contract, the GHA will consider several factors including, but not limited to:

- The cost of extending the contract and the amount of available budget authority; The condition of the contract units;
- The owner's record of compliance with obligations under the HAP contract and lease(s);
- Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities;
- The need for and availability of supportive services for the GHA population; and
- Whether the funding could be used more appropriately for tenant-based assistance.

### 16.7.3 Amendments, Additions and Substitutions to the HAP Contract

The GHA will consider HAP Contract amendments to add additional / substitute PBV units in the same project when the GHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

- The local housing inventory or units in the property under HAP is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families).
- Voucher holders are having difficulty finding units that meet program requirements.
- Adding additional PBV units which include supportive services.
- Units under the PBV contract are so severely damaged due to fire or other event beyond the control of the owner.
- To address appropriate subsidy standards for current PBV families who are compliant with all lease and program requirements (beyond occupancy standards).

## 16.8 Unit Inspections

Link: [24 CFR 983.103](#)

All contract units will be inspected and comply with Housing Quality Standards/NSPIRE prior to HAP contract execution. All units will be inspected no sooner than 30 days prior to occupancy by a new family.

At least biennially during the term of the HAP contract, the GHA will inspect a random sample, consisting of at least 20 percent of the contract units in each building, to determine if the contract units and the premises are maintained in accordance with the HQS/NSPIRE. Turnover inspections are not counted toward meeting this inspection requirement.

If more than 20 percent of the inspected units in a building fail, the GHA will re-inspect 100 percent of the contract units in the building.

In the case of a property assisted with project-based vouchers that is subject to an alternative inspection, the GHA may rely upon inspections conducted at least triennially to demonstrate compliance with the inspection requirement.

Inspections for the entire building will occur at the same time. GHA will abate and terminate PBV HAP contracts for non-compliance with HQS/NSPIRE in accordance with the policies used in the tenant-based voucher program.

In the case of GHA-owned units, the inspections will be performed by an independent agency designated by GHA and approved by HUD. The independent entity must furnish a copy of each inspection report to GHA and to the HUD field office where the project is located. GHA must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by GHA's-owner.

#### 16.8.1 Enforcement of Inspection Standards

GHA will abate the HAP payment for an inspection deficiency not cured within the 30 day required period and will remove the unit from the HAP contract for non-compliance with housing inspection standards if not cured after 60 day abatement.

#### 16.8.2 Notification to PBV Applicants

GHA will provide notice to families offered PBV assistance when there is a unit in the property with inspection deficiencies that the owner's failure to correct the deficiencies within the cure period may result in removal of the unit from the HAP contract and may be cause for termination of the entire PBV HAP Contract.

#### 16.8.3 Lead-based Paint

Link: [24 CFR 983.101\(c\); HUD PIH Notice 2017-13](#)

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the



Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program. Under Subpart H, owners of target housing properties receiving more than \$5,000 annually per unit in project-based assistance are required to ensure that target housing receives a lead risk assessment by a certified risk assessor, regardless of whether there is a child under age 6 in residence, and that occupants are notified of the results of the risk assessment.

## **16.9 Initial Rent and Rent Increases**

Link: [24 CFR 983, Subpart G](#)

### **15.9.1 Initial Rent**

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP Contract term.

### **15.9.2 Rent Increases**

An owner's request for a rent increase must be submitted to the GHA 60 days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.

The rental increase amount will be the lower of the following:

- An amount not to exceed 110 percent of the applicable fair market rent for the unit bedroom size minus any utility allowance in effect at the time of the request;
- The reasonable rent; or
- The rent requested by the owner.

## **16.10 Tenant Selection**

Link: [24 CFR 983.255](#)

Except where noted in the Administrative Plan, the GHA's tenant selection procedures for its tenant-based programs apply for units assisted under the PBV Program. Except for units which are occupied by eligible tenants upon the commencement of the project based contract term, when a vacancy exists at a PBV site, the GHA will notify the next families on the GHA PBV General Wait List. . GHA's letter to the applicants will also state that if the applicant is interested in residing in the vacant PBV unit that the applicant will not lose his/her place on the GHA's HCV waiting list (if applicable) until that person has been leased in the PBV unit. An applicant who rejects an offer of a project-based unit or who is rejected by the owner of the housing unit will remain in the same position on the tenant-based assistance list, as if the offer had not been made.

If a unit to be placed under contract that is either an existing unit or one requiring rehabilitation is occupied by an eligible family on the proposal selection date, the in-place family must be placed on the PHA's waiting list (if the family is not already on the list) and, once their eligibility is determined, given an absolute selection preference and referred to the project owner for an appropriately sized PBV unit in the project. This protection does not apply to families that are not eligible to participate in the program on the proposal selection date.

In the event that there are an insufficient number of eligible persons on the waiting list, the GHA will place applicants referred by the owner on the waiting list. Eligibility for selection in the Project-based voucher program will be consistent with the GHA's tenant-based and project-based assistance programs.

The GHA will provide a selection preference when required by the regulation (e.g., eligible in-place families, qualifying families for "excepted units," mobility impaired persons for accessible units). The GHA will not offer any additional preferences for the PBV program or for PBV projects or units.

Applicants must meet all of GHA's applicable eligibility requirements. GHA will refer qualified applicants to the owner for all vacancies. If the GHA referrals do not provide the owner with a suitable tenant for the unit within 30 days, the owner may refer an eligible individual or family from the owner's waiting list to the GHA.

The owner chooses a tenant for occupancy from the qualified applicants referred by GHA based on their written tenant selection policy. The GHA must approve the owner's tenant selection procedures. When a family is approved by the owner, they will execute a lease with the owner.

The owner must notify the GHA in writing (mail or e-mail) within 5 business days of learning about any vacancy or expected vacancy. The GHA will make every reasonable effort to promptly refer families to the owner after receiving a vacancy notice from the owner.

## **16.11 Unit Moves/Transfers**

### **16.11.1 Overcrowded, Under-Occupied, and Accessible Units**

Link: [24 CFR 983.259](#)

The GHA will promptly notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit. The GHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

- PBV assistance in the same building or project;
- PBV assistance in another project; and
- Tenant-based voucher assistance.

When the GHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, the GHA will terminate the housing assistance payments at the expiration of this 30-day period.

The GHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member, or as a reasonable accommodation.

#### 16.11.2 Moves Requested by the Tenant

Link: [24 CFR 983.261](#)

PBV vouchers are mobile: after one-year families have the option to leave the PBV unit and receive a tenant-based voucher, if a voucher is available. The GHA will supply the owner with a referral for a new PBV tenant. Families who wish to relocate with continued assistance must inform the owner and the GHA in writing not less than 30 days prior to the date they plan to vacate the unit and in accordance with the lease. The GHA will then place the family on a PBV-HCV Voucher program transfer list according to the date and time of receipt by the GHA of written notification of the family's 30-day notice of intent to vacate. The GHA will issue the next available tenant-based voucher to families on the PBV-HCV transfer list before proceeding to its regular HCV waiting list. Families from the regular HCV waiting list who have been notified of an eligibility appointment for a tenant-based voucher will not be delayed from receiving their voucher.

Families residing in a PBV unit who have been issued a tenant-based voucher may request a one-time extension of 30 days to the voucher term prior to the expiration of the voucher. Additional extensions may be granted as reasonable accommodation for a person with disability or for a victim under VAWA. If the term of the voucher has expired, the family may remain in the PBV unit only if the owner has provided written consent.

#### 16.11.3 Moves from Excepted Units

GHA will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to factors beyond the remaining family members' control.

In all other cases, when GHA determines that a family no longer meets the criteria for a “qualifying family” in connection with the 25 percent per project cap exception, GHA will provide written notice to the family and owner within 10 calendar days of making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame, GHA will terminate the housing assistance payments at the expiration of this 30-day period. GHA may make exceptions to this 30-day period if needed for reasons beyond the family’s control such as death, serious illness, or other medical emergency of a family member. GHA may refer other eligible families to the excepted units. However, if there are no eligible families on the waiting list and the owner does not refer eligible families to GHA, GHA will amend the HAP contract to reduce the total number of units under contract.

## **16.12 Vacancy Payments**

[24 CFR 983.352](#)

The GHA may consider whether to include vacancy payments as part of the HAP Contract with the owner when the project-based property meets the following criteria:

- The property is located in an area of low poverty concentration
- The property provides supportive services
- The property serves special voucher populations including
  - VASH
  - Mainstream
  - Other populations with approval of the GHA

The GHA will decide on a case-by-case basis if the GHA will provide vacancy payments to the owner. The HAP Contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments, which will in no event exceed 60 days.

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the GHA determines that the vacancy is the owner’s fault.

If the GHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to keep the housing assistance payment, the GHA will notify the landlord of the

amount of housing assistance payment that the owner must repay. The GHA will require the owner to repay the amount owed.

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must properly notify the GHA. In order for a vacancy payment request to be considered, it must meet the following requirements:

- The owner must notify GHA within 10 calendar days of the end of the period for which the owner is requesting the vacancy payment
- The owner must lease vacant contract units only to eligible families on the GHA waiting list referred by the GHA
- The owner must make reasonable good faith efforts to minimize the likelihood and length of any vacancy.
- The owner must not unreasonably deny applicants referred by the GHA to fill the vacancy and will, in the case of denial, advise the GHA of the reason for denial within 5 business days of the denial and the tenant screening criteria of an applicant referred by the GHA.
- The request must include the required owner certifications and the GHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the GHA within 15 calendar days of the GHA's request, no vacancy payments will be made.

### **16. 13 Reduction in HAP Contract Due to Vacancies**

Link: [24 CFR 983.254](#)

If any contract units have been vacant for 120 days, the GHA will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The GHA will provide the notice to the owner within 10 calendar days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of the GHA's notice.

## **CHAPTER 17: Rental Assistance Demonstration (RAD)**

### **17.1 Overview**

Public housing units converting to assistance under Rental Assistance Demonstration (RAD) long-term Project Based Voucher (PBV) contracts are no longer subject to the public housing program rules. The former public housing units which become PBV units are subject to the rules of the Section 8 program, as modified by rules specific to RAD converted units. These specific RAD-related rules apply important provisions of the public housing rules to the RAD converted units, even though they would not normally be applicable in the HCV context.

GHA anticipates converting public housing units to PBV units using RAD conversions. Upon conversion to PBV, the GHA will adopt the resident rights, participation, waiting list and grievance procedures applicable to the RAD PBV units. The units converted to PBV under the RAD program will be operated consistent with GHA's PBV program rules referenced in this Administrative Plan to the extent not specifically required to operate in a different manner by the regulatory and statutory requirements of the RAD PBV program referenced above.

### **17.2 Resident Rights**

#### **17.2.1 No Re-screening of Tenants upon Conversion**

Pursuant to the RAD statute, at conversion current households are not subject to rescreening, income eligibility, or income targeting provisions. Current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion.

A unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Once that remaining household moves out, the unit must be leased to an eligible family.

#### **17.2.2 Right to Return**

Any residents that need to be temporarily relocated due to rehabilitation or construction have a right to return to an assisted unit at the site once rehabilitation or construction is completed. If transferred, residents of the converting site have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete.



Residents of a site undergoing RAD conversion may voluntarily accept GHA's offer to permanently relocate to another assisted unit, and thereby waive their right to return to the site after rehabilitation or construction is completed

#### 17.2.3 Renewal of Lease

Under RAD, the GHA must renew all leases upon lease expiration, unless cause exists. This provision must be incorporated by the PBV owner into the tenant lease or tenancy addendum.

#### 17.2.4 Phase-in of Tenant Rent Increases

The GHA has established a policy setting the length of the phase in period at three years. If a tenant's monthly rent increases by more than the greater of 10 percent or \$25 solely as a result of RAD conversion, the rent increase will be phased in over 3 years.

The below method explains the percentage-based phase-in the GHA will follow. For purposes of this section "standard TTP" refers to the TTP calculated in accordance with regulations at 24 CFR §5.628 and the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058.

Three Year Phase-in:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP and the standard TTP
  - Year 2: Year 2 Annual Recertification (AR) and any Interim Recertification (IR) prior to Year 3 AR – 66% of difference between most recently paid TTP and the standard TTP
  - Year 3: Year 3 AR and all subsequent re-certifications – Full standard TTP
- Five Year Phase in:

In the three year phase-in, once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward.

#### 17.2.5 Family Self-Sufficiency

Current FSS participants will continue to be eligible for FSS once their housing is converted under RAD, and GHA is allowed to use any remaining Public Housing FSS funds to serve those FSS participants who live in units converted by RAD.

#### 17.2.6 Choice-Mobility

GHA provides a Choice-Mobility option to residents of RAD projects based on the following:

Resident Eligibility: Project based voucher Residents have a right to move with tenant-based rental assistance 12 months after the move-in date, subject to the availability of tenant-based vouchers. Households must submit a written request after the 12-month period has expired if they wish to be issued a tenant-based voucher and provide written 30 day notice to move to the owner and GHA. Households requesting tenant-based vouchers will be reviewed and if the required 12-month PBV period has occurred and proper move out notice given, will be moved to the top of the HCV waiting list based on the date and time of their written request and required documents (move notice).

If a resident is already a resident of the covered project at the time of conversion to PBV, the resident may request a tenant-based voucher after 12 months of PBV assistance, subject to the availability of tenant-based vouchers. When requests for tenant-based vouchers are made after 12 months of PBV residency, residents must submit a written request for a tenant-based voucher (and written move notice) which will be reviewed and if the required 12-month PBV period has occurred, will be moved to the top of the HCV waiting list based on date and time of written request.

#### 17.2.7 Resident Participation and Funding

Residents of RAD projects converting to PBVs have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and are eligible for resident participation funding.

### 17.3 Waiting List

Link: [24 CFR 903.7\(b\)\(2\)\(ii\)-\(iv\)](#)

The GHA will establish PBV site-based waiting lists for properties converted through RAD. GHA will ensure that applicants on GHA's public housing and HCV waiting lists are offered placement on the RAD project's initial site-based waiting lists. Applicants from the PH and/or HCV waiting lists will be placed on the new PBV site based waiting list(s) based on the date and time of their original application to the PH and/or HCV program.

### 17.4 Earned Income Disregard (EID)

Link: [24 CFR 5.617](#)

Tenants who are employed and are currently receiving the EID exclusion at the time of RAD conversion will continue to receive the EID after conversion. Upon the expiration of the EID, the rent adjustment will not be subject to rent phase-in. The rent will automatically increase to the appropriate rent level based upon tenant income at that time.

Under the HCV program, the EID exclusion is limited to only persons with disabilities. However that requirement is not in the public housing program, i.e. the units prior to conversion to RAD. In order to allow all RAD public housing conversion tenants who are employed and currently receiving the EID at the time of conversion to continue to benefit from EID in the PBV project, the provision limiting EID to only disabled persons is waived. The waiver only applies to public housing tenants receiving the EID at the time of RAD conversion to PBV.

## **17.5 Termination Notification**

Link: [24 CFR 5.617](#)

The termination procedure for RAD conversions to PBV will require GHA provide adequate written notice of termination of the lease which will not be less than:

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

## **17.6 Grievance Process**

Link: [4 CFR 982.555\(a\)\(1\)\(i\)-\(iv\)](#)

For RAD converted PBV units, the additional RAD program rules apply:

- An opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to an GHA (as owner) action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare,

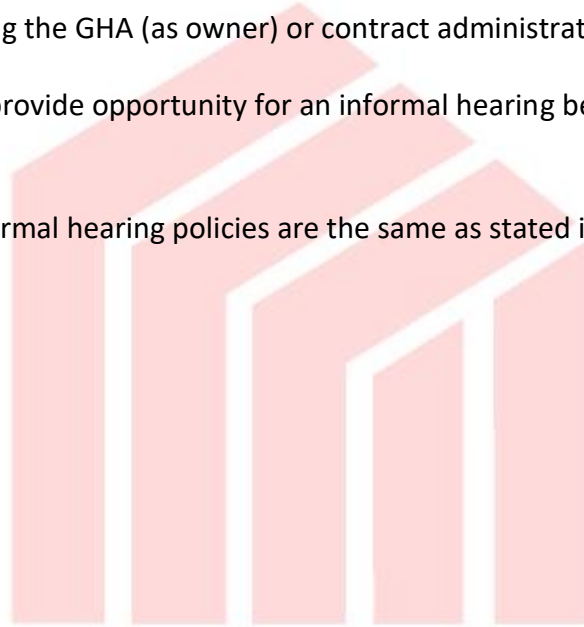
or status.

- For any hearing for participants, the contract administrator will perform the hearing.
- For any additional hearings required under RAD, GHA (as owner) will perform the hearing.

An informal hearing will not be required for class grievances or to disputes between residents not involving the GHA (as owner) or contract administrator.

GHA (as owner) will provide opportunity for an informal hearing before an eviction.

Notice and other informal hearing policies are the same as stated in this Administrative Plan for the HCV program.



QUADEL  
CONSULTING

## Appendix A: Income Exclusions

Category	Exclusion	CFR	Description
Other	Federally Mandated Income Exclusions	24 CFR 5.609(b)(22)	Amounts that must be excluded by federal statute. HUD will publish a Federal Register notice that includes the qualifying benefits.
Assets	Imputed Income from Assets	24 CFR 5.609(b)(1)	Any imputed return on an asset when net family assets total \$50,000 (adjusted annually) or less and no actual income from the net family assets can be determined.
Non-recurring income	Non-recurring income	24 CFR 5.609(b)(24)	Income that will not be repeated in the coming year based on information provided by the family.
Self-employment	Gross Self-employment Income	24 CFR 5.609(b)(28)	Gross income received through self-employment or operation of a business
Dependents	Minors (children under the age of 18 years)	24 CFR 5.609(b)(3)	All earned income of all children under the age of 18, including foster children.
Dependents	Adoption assistance payments	24 CFR 5.609(b)(15)	Adoption assistance payments for a child in excess of the amount of the dependent deduction.
Students	Earned Income of Dependent Students	24 CFR 5.609(b)(14)	Earned income of dependent full-time students in excess of the amount of the dependent deduction.
Students	Title IV HEA Assistance	24 CFR 5.609(b)(9)(i)	Any assistance that Section 479B of the Higher Education Act (HEA) of 1965, as amended, requires to be excluded from a family's income.
Students	Other Student Financial Assistance	24 CFR 5.609(b)(9)(ii)	Student financial assistance, not excluded under the HEA, for actual covered costs of higher education.
Students	Educational Savings Account	24 CFR 5.609(b)(10)	Income and distributions from any Coverdell educational savings account or any qualified tuition program under IRS section 530 or any qualified tuition program under section 529.
Baby bonds	Baby bonds	24 CFR 5.609(b)(10)	Income earned by government contributions to, or distributions from, 'baby bond' accounts created, authorized or funded by federal, state or local government.
Foster children / adults	Payments for Foster Children / Adults	24 CFR 5.609(b)(4)	Payments received for the care of foster children or adults, including State kinship, guardianship care payments, or tribal kinship payments.
Foster children / adults	Income of foster children / adults	24 CFR 5.609(b)(8)	Income of a live-in aide, foster child, or foster adult as defined in 24 CFR 5.403 and 5.603.
Live-in Aide	Income of a Live-in Aide	24 CFR 5.609(b)(8)	Income of a live-in aide, foster child, or foster adult.
People with Disabilities	ABLE accounts	24 CFR 5.609(b)(22)	Will be included in federally mandated excluded amounts. Notice PIH 2019-09/H-2019-06 details when ABLE account income is excluded.
People with Disabilities	State Payments to Allow Individuals with Disabilities to Live at Home	24 CFR 5.609(b)(19)	Payment made by an authorized by a state Medicaid managed care system or other state agency to a family to enable a family member to live in the family's assisted unit.
People with Disabilities	Plan to Attain Self-Sufficiency (PASS)	24 CFR 5.609(b)(12)(i)	Amounts set aside for use under a Plan to Attain Self-Sufficiency (PASS).
People with Disabilities	Reimbursements for Health and Medical Care Expenses	24 CFR 5.609(b)(6)	Amounts for, or in reimbursement of, health and medical care expenses for any family member.



Category	Exclusion	CFR	Description
Trusts	Trust distributions	24 CFR 5.609(b)(2)	Any distributions of a trust's principal are excluded. PHAs and owners must count any distributions of income from an irrevocable trust or a trust not under the control of the family (e.g., distributions of earned interest) as income to the family with the expectation of distributions used to pay the health and medical care expenses of a minor.
Insurance	Insurance payments and settlements for personal or property loss	24 CFR 5.609(b)(5)	Insurance payments and settlements for personal or property loss including, but not limited to: payments through health insurance, motor vehicle insurance, and workers' compensation.
Retirement	Retirement plan	24 CFR 5.609(b)(26)	Income received from any account under an IRS-recognized retirement plan. However, periodic payments are income at the time of receipt.
Military	Hostile fire special payment	24 CFR 5.609(b)(11)	The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
Veterans	Veterans aid and attendance payments	24 CFR 5.609(b)(17)	Payments related to aid and attendance for veterans under 38 U.S.C. 1521.
Lawsuits	Lawsuit Settlements	24 CFR 5.609(b)(7)	Amounts recovered in a civil action or settlement based on malpractice, negligence and other breach of duty claim resulting in a family member becoming disabled.
Lawsuits	Reparations for Persecution	24 CFR 5.609(b)(13)	Reparation payments paid by a foreign government for claims by people persecuted during the Nazi era.
Lawsuits	Tribal Claims Payments	24 CFR 5.609(b)(21)	Payments received by tribal members from claims relating to the mismanagement of assets held in trust by the United States.
Lawsuits	Lawsuits related to civil rights	24 CFR 5.609(b)(25)	Civil rights settlements or judgments, including settlements or judgments for back pay.
Reimbursements	Reimbursements from publicly assisted programs	24 CFR 5.609(b)(12)(ii)	Amounts received by a participant in other publicly assisted programs for or in reimbursement of expenses to allow program participation (e.g., special equipment, clothing, transportation, child care, etc.).
Resident Services Stipend	Resident Services Stipend	24 CFR 5.609(b)(12)(iii)	Resident service stipends of \$200 or less per month for performing a part-time service for the PHA that enhances the quality of life in the development.
Employment training programs	Employment training programs	24 CFR 5.609(b)(12)(iv)	Incremental earnings and benefits from training programs HUD and qualifying employment training programs and training of a family member as resident management staff.
FSS	Family Self Sufficiency Account	24 CFR 5.609(b)(27)	Income earned on amounts placed in a family's FSS account.
Housing gap payments	Housing "gap" payments	24 CFR 5.609(b)(23)	Replacement housing "gap" payments to offset increased rent and utility costs to families displaced from one federally subsidized housing unit and another.
Benefits	Deferred Supplemental Security Income, SS income and benefits, or VA disability benefits	24 CFR 5.609(b)(16)	Deferred periodic amounts from: SSI, Supplemental Security Income and benefits or VA disability benefits that are received in a lump sum or prospective monthly amounts.
Property tax rebates	Property Tax Rebates	24 CFR 5.609(b)(18)	Refunds or rebates under state or local law for property taxes paid on the dwelling unit.
Loans	Loan Proceeds	24 CFR 5.609(b)(20)	The net amount disbursed by a lender to a borrower or a third party (e.g., educational institution or car dealership).



## Appendix B: Asset Exclusions

Category	Excluded Asset	Example(s)	Notes
Personal property	Necessary items of personal property	Medical devices, vehicle for commute	Determining what is a "necessary item" for personal property is a highly fact-specific determination. Additional guidance is forthcoming from HUD.
Personal property	Non-necessary items of personal property if the combined total value does not exceed \$50,000*	Vintage baseball cards, recreational boat, coin collection, art so long as the <i>total</i> value is under the limit	This matches the value of assets that can be self-certified by the family.
Savings account	Retirement account recognized by IRS	IRA, 401(k), 401(b) and retirement plans for self-employed individuals	
Real property	Real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located	Property subject to a lawsuit may be legally restricted from sale.	Such property does not count against the dollar amount limit or the real property limitation
Cash	Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member, for an incident resulting in a disability	A drunk driver injures a family member, who then has a disability. The family sues, and the driver's insurance pays the family.	
Savings account	The value of certain education or disability support savings accounts	Under Internal Revenue Code sections 529, 529A, 530, "baby bond" accounts	Coverdell accounts, tuition programs, any "baby bond" account created, authorized, or funded by Federal, state, or local government
Real property	Interest in Indian trust land	Family has interest in land held in trust by Bureau of Indian Affairs	Existing exclusion
Real property	Equity in a manufactured home where the family receives assistance under 24 CFR 982	HCV Manufactured Home Space Rental participants	
Real property	Equity in property where the family receives assistance under 24 CFR 982	HCV homeownership participant	For real property other than manufactured homes
Savings account	Family Self-Sufficiency (FSS) accounts		The family does not have access to FSS funds during their participation in the program. Also excluded from income.
Cash	Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family	Earned Income Tax Credits (EITC)	
Trust Funds	Trust that is not revocable by, or under the control of, any member of the family or household	Non-revocable trust fund; trust fund revocable once minor child reaches age 21	As long as a trust meets this definition, it is not an asset of the family