

B.	Annual Plan.
B.1	<p>Revision of PHA Plan Elements.</p> <p>(a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Housing Needs and Strategy for Addressing Housing Needs.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Informal Review and Hearing Procedures.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification.</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each element(s): Eligibility Criteria for drug and criminal activity amended along with the Informal Review Process for denials. The changes are detailed in the Administrative Plan.</p>
B.2	<p>New Activities</p> <p>(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?</p> <p>Y N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Project Based Vouchers.</p> <p>(b) If this activity is planned for the current Fiscal Year, describe the activities. Provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.</p> <p>The Housing Commission will be project basing 35 vouchers of Single Efficiency Apartments for the homeless during the upcoming fiscal year. The development will be located off of the route 1 corridor in Jessup, Maryland. The Project Basing of these units would be consistent with the Administrative Plan in that it would serve single homeless persons, a population that is underserved, and often difficult to house due to unique issues associated with that population.</p> <p>The Housing Commission will be participating in a regional initiative to project base one hundred (100) vouchers in opportunity areas in the Baltimore Region. Howard County will be contributing 3 project based vouchers toward this initiative. It is being coordinated by the Baltimore Regional Council and Howard County will be serving as the fiscal agent for the project.</p>
B.3	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N N/A</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>
B.4	<p>Civil Rights Certification</p> <p>Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
B.5	<p>Certification by State or Local Officials.</p> <p>Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
B.6	<p>Progress Report.</p> <p>Provide a description of the PHA's progress in meeting its Mission and Goals described in its 5-Year PHA Plan.</p> <p><u>See Attached.</u></p>

B.7	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y N <input type="checkbox"/> <input type="checkbox"/></p> <p>(a) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p>
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Goals and Objectives. Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

1. To integrate affordable housing with market rate housing through redevelopment activities;
2. To produce environmentally friendly and universally designed affordable housing;
3. To produce affordable housing that is financially self-sufficient;
4. To move residents of affordable housing toward economic self-sufficiency;
5. To work in conjunction with the Department of Housing to increase homeownership opportunities for low and moderate income families;
6. To insure that families have equal access to housing regardless of race, color, religion, national origin, sex, disability, familial status or source of income.
7. To develop and preserve affordable housing equally across all areas of the county which reflects current and/or anticipated demand based on unit size.

B.6 Progress Report.

Provide a description of the PHA’s progress in meeting its Mission and Goals described in its 5-Year PHA Plan.

1. **To integrate affordable housing with market rate housing through redevelopment activities:** The Commission redeveloped Guilford Gardens from a 100 unit subsidized development into a 269 unit mixed income development now known as Monarch Mills. The development is currently at 84% occupancy. The Commission also redeveloped Hilltop from a 94 unit subsidized development into a 153 unit mixed income development now known at Burgess Mills, which currently is at 96% occupancy.
2. **To produce environmentally friendly and universally designed affordable housing:** The Commission has developed 4 award winning Apartment Communities and a Community Center during the previous 5-Year Plan period. The developments incorporated numerous universal design, energy efficiency and environmentally friendly features. Specific details on awards and features are as follows:

BURGESS MILL STATION
198-UNITS
CONSTRUCTION COMPLETED DECEMBER 13'

AWARDS RECEIVED:

- **2014 Maryland Affordable Housing Coalition (MAHC) Innovation Award**
- **Semi-finalist for the 2014 Jack Kemp Excellence in Affordable and Workforce Housing Awards – Final notification pending.**

Sustainable measures implemented throughout the Burgess Mills community include:

- Greatly increased housing density. Increased density on pre-existing site reduced the need to convert greenfields (farms, parks, etc.) to housing.
- Parking deck with green roof. The courtyard created by the green roof is accessed at grade and it is almost imperceptible that it is a green roof and not an on-grade planted area. This approach reduces the amount of impervious coverage generally required for parking.
- Bio retention ponds with natural plantings. These man-made beds are designed to filter and manage storm water naturally.
- Energy Star-rated windows, appliances & light fixtures including refrigerator, dishwasher, and clothes washer.
- Low or no-VOC paint – reduced risk of health concerns from Volatile Organic Compounds found in traditional paints.
- Air Sealing – air infiltrations have been virtually eliminated by sealing all penetrations and potential leak points.
- Third Party Performance Testing for the garden apartments used to verify the building is in compliance with green programs and standards.

ROGER CARTER COMMUNITY CENTER
45,000 SQ.FT. FACILITY
CONSTRUCTION COMPLETED JUNE 13'

AWARDS RECEIVED:

- **2014 United States Green Building Council (USGBC) Maryland Chapter – Wintergreen Award. The Wintergreen Award recognizes achievement in green buildings and sustainable design.**

Sustainable measures included:

- The Roger Carter Recreation Center will be seeking a LEED Silver designation.
- Water efficient plumbing fixtures are used included low flow toilets, showers and sinks and irrigation is completely eliminated with specified drought tolerant plantings.
- Current energy model results show that the building is 39% more efficient than a building that is designed minimum energy requirements. This equates to about \$63,000 per year in reduced gas and electric utility costs.

- Savings are achieved by more efficient lighting and HVAC energy use reduction through more efficient equipment, heat recovery, better building envelope, and building solar orientation.
- The building structure is all steel which contains large amounts of recycled content. Other building materials were carefully selected to ensure recycled content and extraction and manufacture within 500 miles of the site.

MONARCH MILLS

269-UNITS

CONSTRUCTION COMPLETED MARCH 12'

AWARDS RECEIVED:

- **2012 Gold LEED Certification – United States Green Building Council (USGBC)**
- **2012 Novogradac Journal of Tax Credits - Development of Distinction Award – Innovative Financing**
- **2012 Maryland Department of Housing & Community Development (DHCD) Commitment to Excellence – Rental Housing Excellence**
- **2013 Housing Association of Nonprofit Developers (HAND) Housing Achievement Award – Best Large Affordable Housing Project**

Sustainable measures included:

Site Improvements

- Erosion and Sediment Control-Protection of Surrounding Lands and Bodies of Water During the Construction Process
- Landscaping-Use of Native Species
- Surface Water Management-Rain Harvesting Cisterns for Landscape Irrigation
- Storm Drain Labels-Reminder That the Site Falls Within the Chesapeake Bay Watershed

Water Conservation

- Water Conserving Appliances-Energy Star Rated Dishwashers and Clothes Dishwashers
- Water Conserving Fixtures-Toilets, Showerheads, Kitchen Faucets, and Bath Faucets

Materials Beneficial to the Environment

- Construction Waste Management-Over 75% of Construction Waste Was Recycled
- Recycled Content-Materials Include Concrete, Siding, Insulation, Drywall, and Flooring
- Reducing Heat Island Effect-Clubhouse Roof Shingles

Healthy Living Environment

- Low/No VOC Paints and Primers
- Low/No VOC Adhesives and Sealants
- Urea Formaldehyde-free Composite Wood: Kitchen Cabinets, Bathroom Vanities, and Interior Doors
- Green Label Floor Coverings: Carpets
- Bathroom Exhaust Fans-Equipped with Smart Fans To Reduce The Potential For Mold

Operations and Maintenance

- Each Residence Will Receive an Occupant Manual Which Outlines the Operation, Maintenance, and GREEN Features of The Community

As part of the overall sustainability plan for the development, Harkins Builders, general contractor made certain that two major goals were achieved throughout the project, (i) diverting construction management waste from landfills and (ii.) a percentage of regional material and recycled content were utilized for the construction of the community Clubhouse. As part of the development team seeking a LEED Gold rating for the Clubhouse, the following goals were achieved:

- Regional Material for Clubhouse – 25.9%
- Recycled Content for Clubhouse – 13.1%
- LEED CMW (%diverted from landfill) – 92.4%
- GC CMW (% diverted from landfill) – 83.9%

THE COTTAGES AT GREENWOOD 10 SINGLE FAMILY DETACHED FOR SALE HOMES CONSTRUCTION COMPLETED MARCH 12'

AWARDS RECEIVED:

- **2010 Nan McKay & Associates, Inc. – Pioneer in Housing Award**
- **2012 Platinum LEED Certification – United States Green Building Council (USGBC)**
- **2012 United States Green Building Council (USGBC) Maryland Chapter – Wintergreen Award – Socio Economic Impact. The Wintergreen Award recognizes achievement in green buildings and sustainable design.**

Sustainable measures included:

- Native Landscaping – Native, drought tolerant and non-invasive species.
- Rain Barrels – Utilized to help collect excess rainwater from impervious areas, such as the roof so it can be reused for watering the garden.
 - Environmentally Friendly Cabinets – Built with FSC lumber, there is no added urea formaldehyde, and they have a Green Guard, CARB compliant finish.

- Energy Star Appliances –refrigerator, dishwasher and high efficiency ventilation hood.
- Low Flow water fixtures – low flow faucets typically use about 20% less water, with equal or superior performance.
- Air Sealing – air infiltration has been virtually eliminated by sealing all penetrations and potential leak points.
- Energy Star light fixtures, bath fans and ceiling fans
- Large Low-e, double pane insulated Energy Star-rated casement windows
- Insulated concrete slab
- Low or no-VOC paint – reduces risk of health concerns from Volatile Organic Compounds found in traditional paints
- Stained, polished concrete flooring – eliminates the need for more building materials
- Green Label Certified carpet
- Small high efficiency HVAC system
- High efficiency Energy Star front-loading washer and gas powered dryer
- Recycled glass countertop by Cosentino
- Solar Tube
- Green Guard Pad – the Mohawk bonded pad installed in the bedrooms is made from approximately 90% postindustrial recycled material.
- Carbon Monoxide Detectors – CO detectors are centrally located outside each separate sleeping area as well as in any room adjacent to the carport.
- FSC Certified Trim – raw materials gathered from a source certified by the Forest Stewardship Council.
- Dense pack cellulose and open cell foam insulation.
- Pex Plumbing – cross-linked polyethylene pipes are used for the general supply lines of the home, allowing for fewer fittings, more flexibility, and reduced heat transfer.
- FSC Certified Lumber (in some houses)- raw materials gathered from a source certified by the Forest Stewardship Council.
- Bioretention beds – an amenity benefiting the entire community, these man-made beds are designed to help filter and manage storm water naturally.
- Fiber Cement Siding– recycled content product; with exceptional curb appeal and durability.
- 30 Year Roof Shingles
- Third Party Performance Testing – used to verify the builder is in compliance with green programs, inspections are done at (framing and house completion)
- Energy Management Monitor – monitors the whole house energy use.
- Advanced Framing Techniques – insulation is weaved behind and around staggered wall studs not just in between them. Corners are framed hollow to allow insulation and air sealing and headers are all insulated.

ELLCOTT GARDENS, ELLCOTT CITY
106-UNITS
NEW CONSTRUCTION COMPLETED AUGUST 2009

AWARDS RECEIVED:

- **2009 Maryland Homebuilders Outstanding Home**

- **2010 Maryland Department of Housing & Community Development (DHCD) - Rental Housing Stability**
- **2012 & 2013 Property Management Association (PACE) – Distinguished Community**

Sustainable measures included:

- White Energy Star Rated Roof
- Wind Turbine
- Specifying plant materials that are indigenous to the area and drought resistant
- Compact fluorescent down lights and surface mounted light fixtures provided outside each apartment unit
- Heating systems designed to maintain a minimum temperature of 70 degrees Fahrenheit in all occupied spaces
- Cooling systems designed to maintain a maximum temperature of 78 degrees Fahrenheit in all occupied spaces
- All products and adhesives are low VOC (volatile organic compounds)
- Low flow plumbing fixtures including toilets and shower heads
- Durable insulated, low-e glazed, thermally broken aluminum framed windows

3. To produce affordable housing that is financially self-sufficient:

The Commission’s redevelopment of Monarch Mills & Burgess Mills is projected resulted in total cash flow from both developments in excess of \$800,000.00 in fiscal year 2016.

4. To move residents of affordable housing toward economic self-sufficiency:

The Commission sponsors a “Getting Ahead” Program that targets Family Self Sufficiency Participants, Zero Income Families and other low income families residing in Howard County. The “Getting Ahead” Initiative examines the causes of Poverty and helps participants to understand that poverty is not simply caused by the choices of the individual, but is both “generational” and “situational”. Program participants perform a Self-Assessment, identify personal strengths and establish a personal plan for building resources. The initiative focuses on “Bridges out of Poverty” and examines what the community has to offer as well as what participants can contribute to the community.

5. To increase homeownership opportunities for moderate income families:

The Commission works in conjunction with the Department of Housing to create homeownership opportunities for moderate income families. The Department of Housing assisted 94 families with closing costs through the Settlement Downpayment Loan Program (SDLP) in 2016. A total of \$1,380,273 in assistance was provided. In addition, 37 home ownership opportunities for moderate income families were created under the county’s Moderate Income Housing Unit (MIHU) Program. The MIHU program requires developers to provide a percentage of newly constructed homes for sale at an affordable price to moderate income families. The Commission purchases these properties and

offers them for sale to qualified families, when a buyer is not readily available or if there are issues with the timing of the purchase.

6. To insure that families have equal access to housing regardless of race, color, religion, national origin, sex, disability, familial status or source of income.

Howard County is one of only a few jurisdictions in the state that has passed a “source of income” law which places voucher holders in a protective class and prohibits owners from refusing to accept voucher applicants simply based on the fact that they are receiving housing assistance through the Housing Choice Voucher Program. This allows voucher families greater flexibility in terms of where they want to live. The Howard County Office of Human Rights, the Fair Housing Enforcement entity in Howard County, also attends each voucher briefing to educate families about their rights under the Fair Housing Law. This makes it more likely that families will be able to recognize discrimination when it occurs and are more likely to take the appropriate actions when confronted with discriminatory actions.

The Department of Housing also participates in joint education programs in conjunction with the Office of Human Rights and the Office of Consumer Affairs, the landlord tenant office within the county, to educate landlords on Federal, State & Local Fair Housing Law.

7. To develop and preserve affordable housing equally across all areas of the county which reflects current and/or anticipated demand based on unit size.

The Housing Commission has Project Based 30 Vouchers for Single Efficiency Apartments for the Homeless. The Commission is also the Owner/Developer of the property which is projected to begin leasing on or around July of 2017. Efficiency Apartments are practically non-existent in the county, so this is a much needed initiative for the county. The Commission has preserved affordable housing in the county by purchasing three (4) apartment communities in the county consisting of 882 units which will remain affordable and provide much needed cash flow to address affordable housing needs in the county. The communities contain a mixture of two hundred seventy-three 1-bedroom units, five hundred ninety-seven 2-bedroom units, and twelve 3-bedroom units. In addition the Commission purchased a 248 unit complex containing 210 luxury units (ninety-two 1 –bedroom units, one hundred four 2-bedroom units & fourteen 3-bedroom units) and 19 affordable 1-bedroom units, 18 affordable 2-bedroom units and 1 affordable 3-bedroom unit.

Housing Needs and Strategy for Addressing Housing Needs. Provide a statement addressing the housing needs of low-income, very low-income families who reside in the PHA’s jurisdiction and other families who are on the Section 8 tenant-based waiting list. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. ([24 CFR §903.7\(a\)\(1\)](#) and [24 CFR §903.7\(a\)\(2\)\(i\)](#)). Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. [24 CFR §903.7\(a\)\(2\)\(ii\)](#)

Background: There are a total of 27,102 rental units in Howard County. Approximately 20,750 rental units (74 percent) are located in multifamily buildings. The balance of the rental units are located in Single Family Attached (15 percent), Single Family Detached (10 percent) and other structures such as mobile homes (1 percent). Thirty five (35) percent of the County's population resides in Columbia, while fifty (50) percent of all rental units are located in Columbia. The county's vacancy rate is approximately 3.5 percent. The average rent for a market rate unit in Columbia is \$1,384.00. The median income for renter households in the county is \$71,500. Low and moderate income households in Howard County are predominately Hispanic and Black.

As of the 2010 Census, Howard County had a population of 287,085 persons. Approximately 25 percent of the households in the county include a senior citizen aged 62 or older. Married couples account for 59 percent of all households and families with children account for 39 percent of the households in the County. Eighty percent of senior households age 62 or older are homeowners.

Over one-quarter (27 percent) of adults aged 65 and over in Howard County report living with a disability, of which 17 percent include persons with an ambulatory difficulty. Overall approximately seven percent of all Howard County residents reportedly live with a disability. In Columbia 23 percent of market rate multifamily units were determined to meet the minimally accessible criteria according to the Fair Housing Act.

Throughout Howard County approximately forty-seven percent of all renter households are between the ages of 35 and 61, twenty-eight percent are between the ages of 24 and 34 and Nineteen percent are aged 62 or older. Single person households are the most common renter household type in the county accounting for thirty-seven percent of all renters. Only eight percent of all renter households contain five persons or more persons.

Howard County has the lowest black/white dissimilarity index among the six jurisdictions in the Baltimore Metropolitan Area, meaning that the county has more indicators of racial integration than other jurisdictions.

HOUSING, HOMELESS AND SPECIAL NEEDS

Cost of Housing

There are a number of categories of persons affected by the lack of affordable housing. Persons with disabilities, the elderly, and persons at risk of homelessness are all vulnerable and populations in these categories are expected to dramatically increase over the next ten years. Another concern is that of families and individuals who have been displaced as homeowners due to foreclosure and are now moving into rental units. This emerging group of displaced persons is now competing with those low – and moderate – income households who are often already challenged with maintaining housing in a rental market with an extremely low vacancy rate. This serves as yet another underscore to the increasing need for expanded affordable housing opportunities within the County.

A summary of Howard County's estimated housing needs is reflected in the following Table. The CHAS data indicates a high percentage of renters and owners, particularly low and moderate income households, have some type of housing problem including cost burden, overcrowding and/or without

complete kitchen or plumbing facilities. The data also indicates that most of these high percentages are due to cost burden as discussed above. Substandard housing is not a major problem in the County.

DEFINITIONS

The County has defined standard, substandard and substandard but suitable for rehabilitation as follows:

Standard housing – housing which generally meets Howard County’s housing codes, is structurally sound, has operable indoor plumbing, operable electricity and heating systems and a kitchen.

Substandard housing - one which lacks operable and complete plumbing facilities; electricity; a safe source of heat; a kitchen; has been declared unfit for habitation by an agency or unit of government; and /or is overcrowded (more than one person per room).

Substandard housing but suitable for rehabilitation – housing which meets the above definition, but can be rehabilitated in compliance with the County’s Single Family Rehabilitation Loan Program for costs not to exceed the Rehab Loan Program limit, which remains at \$30,000.00.

Households by Type, Income, & Housing Problem	Elderly 1 & 2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or More) (C)	All Other Households (D)	Total Renters (E)	Elderly (F)	All Other Owners (G)	Total Owners (H)	Total Households (I)
	RENTERS					OWNERS			
1. Very Low (0-50% MFI)	1,599	1,882	340	1,469	5,290	1,438	1,814	3,252	8,542
2. 0 to 30% MFI	994	944	146	785	2,869	579	792	1,371	4,240
3. % with any Housing Problem	65.8%	74.6%	69.2%	66.9%	69.2%	77.5%	84.4%	81%	72.7%
4. % with cost burden >30%	64.4%	69.8%	56.2%	65.6%	66.1%	77.5%	84.4 %	80%	70.6%
5. % with cost burden >50%	52.3%	60.9%	47.9%	67.8%	57.5%	50.8%	79%	64.4%	59.7%
6. 31 to 50 MFI	650	898	159	573	2,280	780	678	1,458	3,738
7. % with any Housing Problem	67%	78%	71%	91%	78%	36%	27%	60%	70%
8. % with cost burden >30%	67%	78%	71%	86%	76%	35%	24%	59%	69%
9. % with cost burden >50%	43%	42%	35%	72%	49%	14%	20%	34%	43%
10. Other Low income (51-80% MFI)	759	2,118	488	1,732	5,097	1,318	2,453	3,771	8,868
11. % with any Housing Problem	74%	65%	62%	74%	69%	12%	19%	51%	61%
12. % with cost burden >30%	74%	63%	52%	74%	67%	12%	37%	49%	59%
13. % with cost burden >50%	26%	7%	5%	5%	9%	3%	17%	20%	14%
14. Moderate Income 81-95%	258	1,327	156	1,490	3,231	618	2,636	3,254	6,485
15. % with any Housing Problem	50%	31%	36%	42%	38%	20%	15%	50%	44%
16. % with cost burden >30%	50%	28%	25%	40%	35%	20%	29%	49%	42%
17. % with cost burden >50%	9%	0%	0%	0%	0%	2%	4%	6%	4%
18. Total Households	3,269	11,946	1,622	10,181	27,018	7,709	58,728	66,437	93,455
19. % with Housing Problems	59%	29%	41%	32%	34%	19%	33%	21%	25%

The Housing Commission’s plan for addressing housing needs for low and moderate income families in Howard County includes the following strategies:

- Expanding housing supply for low income families through co-ordination with the county’s Moderate Income Housing Unit (MIHU) Program which requires developers to set-a-side units for low and moderate income families;
- Continuing to look for market opportunities to purchase market rate properties occupied primarily by low and moderate income families to insure that they remain affordable, and to create cash flow opportunities to further invest in affordable housing;
- Continue to look at policies that enhance the Commission’s ability to increase assistance to additional families without increased financial resources;
- Continuing to identify new funding sources to either increase the Commission’s ability to provide additional services to existing clients or to expand the Commission’s ability to assist additional families;
- The redevelopment of currently owned Commission properties to introduce a mixed income model that would insure that the properties are financially sustainable in the future; (The redevelopment would improve unit quality and allow an increase in density thus expanding the supply of affordable housing. It would also provide a means for the expansion of unit sizes based on need as reflected by waiting list demand.)
- Partnering with the Office of Human Rights to educate landlords and tenants on Fair Housing Laws in Howard County. Highlighting the “Source of Income” provisions of the Fair Housing Law to new and current voucher holders to insure that owners are complying with the provisions of the law;
- Acquisition rehabilitation and conversion of available vacant properties for the creation of affordable rental housing;
- Continue to utilize tax credits and other favorable financing plans to encourage new construction of affordable housing;
- Support implementation of zoning laws and subdivision regulations that encourage the development of affordable housing
- Encourage and assist non-profit organizations with efforts to acquire and rehab property to be used as affordable rental housing for seniors, the disabled or other low/moderate-income individuals and families with special needs.

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. ([24 CFR §903.7\(b\)](#))

- HCHC uses a preference system to rank applications on and to select applications from the waiting list.
- Local preferences will be used to organize and select applicants from the waiting list. Each local preference will be organized by application date and time.
- The HCHC uses the following Local Preference system:
 - Residency**
 - Emergency** (when subsidy is available):

- Involuntary displacement
- Substandard Housing
- Long Term Homelessness

- **Residency Preference**

Applicants who live, work or have a bona fide offer to work in Howard County on the date of notice that they have reached the top of the waiting list will receive a preference over non-residents.

- **Emergency Preference**

Issuance of assistance based on the Emergency preference is contingent upon the availability of funding. For the purpose of this plan, involuntary displacement includes applicants residing in substandard housing.

The HCHC will continue to accept applications from families requiring “Emergency” Placement during periods when the waiting list is closed, unless these families are specifically excluded from applying in the notice of Waiting List Closure.

- An otherwise eligible family, who resides in Howard County, displaced by a no fault fire or flood or other natural disaster when, replacement housing has not been offered by the landlord at a comparable rate, or if the damaged unit is not proposed to be restored to use and replacement housing cannot reasonably be located at or near the pre-disaster housing cost. If the applicant or family is found to have caused the fire or flood, HCHC will deny assistance.
- An otherwise eligible family, who was a resident of a Howard County public housing unit or Howard County voucher holder in a federally declared disaster area at the time that the area was so designated, shall receive a priority on the waiting list for a period up to six months from the date of designation. HCHC reserves the right to limit the number of families assisted under this provision in order to protect the interests of County residents currently waiting to be assisted.
- An otherwise eligible family, who resides in Howard County, displaced by eminent domain proceedings, by any Federal, State, or local governmental body in conjunction with public improvement or development. This does not include any action taken in connection with code enforcement.
- An otherwise eligible family, who resides in Howard County, displaced by an action which is the result of a decision by the courts, requiring the landlord to take certain actions when; 1) it is not possible for the landlord to correct the deficiency with the family in place, and 2) the landlord is not under any obligation to provide alternative housing.
- An otherwise eligible family, who resides in Howard County, displaced by lead paint poisoning confirmed by a knowledgeable medical entity or professional or the court requires the landlord to take abatement action and; 1) it is not possible for the landlord to correct the deficiency with the family in place, and 2) the landlord is not under any obligation to provide alternative housing.
- An otherwise eligible family, who resides in Howard County, displaced by the sale, demolition or discontinuance of a residential property which results in the loss of a housing unit which was previously affordable to a family of low or moderate income, where the HCHC has made a

determination that the loss of such housing will create an undue hardship on the families being displaced.

- An otherwise eligible family, who resides in Howard County, displaced due to the threat of physical violence and is participating in a Witness Protection Program. The family must meet HCHC's eligibility criteria regarding illegal drugs and violent criminal activity, and must currently live or work in Howard County.
- An otherwise eligible family, who resides in Howard County, participating in a local, Federal or State funded demonstration program designated by HCHC as critical to the fair and equitable delivery of housing services to groups who are under represented on the waiting list.
- An otherwise eligible family, residing in Howard County, pursuant to a recognized lease, occupancy agreement, deed, title, or other documentation acceptable to HCHC whose housing meets one of the following conditions, as verified by the Department of Inspections, License and Permits, the Department of Public Works, the Health Department, or an equivalent Federal, State, or local governmental body, and will not be corrected by the landlord:
 - Lacks an adequate or safe source of heat,
 - Does not have operable indoor plumbing, or
 - Does not have a usable, flushing toilet.
- An otherwise eligible family, who resides in Howard County, pursuant to a recognized lease, occupancy agreement, deed, title, or other documentation acceptable to HCHC, and the unit has been declared unfit by the Department of Inspections, License and Permits, Department of Public Works, the Health Department or an equivalent Federal, State, or local governmental body, for one or more of the following reasons:
 - Unsafe levels of lead paint, when there is a child below the age of seven;
 - Unsafe levels of asbestos; or
 - The presence of a chemical agent which has been medically documented as harmful to a member of the household.
- An otherwise eligible family, who resides in Substandard Housing (does not provide safe, adequate shelter; has one or more critical defects or a combination of defects requiring considerable repair; endangers the health, safety, and well being of family) if the following exists:
 - Does not have operable indoor plumbing;
 - Does not have usable flush toilet in the unit for the exclusive use of the family;
 - Does not have usable bathtub or shower in unit for exclusive family use;
 - Does not have adequate, safe electrical service;
 - Does not have an adequate, safe source of heat;
 - Should, but does not have a kitchen; or
 - Has been declared unfit for habitation by a government agency.
- An otherwise eligible family who for the past 90 days had a primary night-time residence that was a(n):
 - Supervised public or private operated shelter designated to provide temporary living accommodations,

- o Institution that provides temporary residence for individuals intended to be institutionalized (not incarcerated, i.e. jails and prisons),
- o Public or private place not designated or normally used as regular sleeping place for humans that can be confirmed by the Police or a county Homeless Agency.

This priority for service is limited to a maximum of 15 vouchers during any calendar year, when funding is available and not awarded for a special purpose.

HCHC will use date & time of application as the initial criteria for selecting the 15 homeless families from the waiting list. If all 15 slots are not filled due to a lack of homeless families currently on the waiting list a "Homeless Lottery" will be held to select the remaining families. All other applicants in the "Homeless Lottery" that are not selected will have their applications placed on the waiting list if the waiting list remains open for persons experiencing Long Term Homelessness.

Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. ([24 CFR §903.7\(c\)](#))

The Housing Commission anticipates the following financial resources during the upcoming fiscal year:

HCV HAP Funds:	\$10,034,664
HCV Administrative Fees:	\$ 746,375
FSS Coordinator Funds:	\$ 61,056
Portability HAP Funds:	\$ 7,874,400
Portability Admin. Fees:	\$ 275,604
HOPWA Funds:	\$ 247,504

Rent Determination. A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents , and payment standard policies. ([24 CFR §903.7\(d\)](#))

MINIMUM RENT/TTP

It shall be the policy of HCHC to set the minimum TTP at \$50.00 for all assisted families.

PAYMENT STANDARDS FOR THE VOUCHER PROGRAM [24 CFR 982.503]

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the HCHC's discretion, the Voucher Payment Standard amount is set by the HCHC between 90 and 110 percent of the HUD published FMR. This is considered the basic range. The HCHC reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the HCHC will ensure that the Payment Standard is always within the range of 90 to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD.

The HCHC will establish a single voucher payment standard amount for each FMR area in the HCHC jurisdiction. For each FMR area, the HCHC will establish payment standard amounts for each "unit size". The HCHC may have a higher payment standard within the HCHC's jurisdiction if needed to

expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90 to 110 percent of FMR range.

The HCHC 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.

The Housing Commission will utilize the provisions of PIH Notice 2013-03 that allow the Commission to set a payment standard up to 120 percent of the Fair Market Rent (FMR) as a reasonable accommodation for a family that includes a person with a disability. The Commission will maintain documentation that the unit has been determined to be rent reasonable, and that the unit has the feature(s) required to meet the needs of the person with disabilities.

ADJUSTMENTS TO PAYMENT STANDARDS [24 CFR 982.503]

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

Assisted Families' Rent Burdens

The HCHC 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 percent of their annual adjusted income for rent.

If it is determined that particular unit sizes in the HCHC's jurisdiction have payment standard amounts that are creating rent burdens for families, the HCHC may modify its payment standards for those particular unit sizes if adequate funding and/or reserves are available.

The HCHC may 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 HCHC's jurisdiction are paying.

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

Quality of Units Selected

The HCHC 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.

HCHC Decision Point

The HCHC will review the average percent of income that families on the program are paying for rent. If more than 40 percent of families are paying more than 30 percent of monthly adjusted income for a particular unit size, the HCHC will determine whether families are renting units larger than their

voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the HCHC in this Administrative Plan.

If families are paying more than thirty percent of their income for rent due to the selection of larger bedroom size units or luxury units, the HCHC may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, the HCHC will consider increasing the payment standard if adequate funding and/or reserves are available.

Rent to Owner Increases

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

Time to Locate Housing

The HCHC may consider the average time period for families to lease using a voucher. If more than twenty five percent of voucher holders are unable to locate suitable housing within the term of the voucher and HCHC determines that this is due to ten percent of rents in the jurisdiction being unaffordable for families even with the presence of a voucher, the Payment Standard may be adjusted.

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 HCHC 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 HCHC will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

File Documentation

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

EXCEPTION PAYMENT STANDARDS

If the dwelling unit is located in an exception area, the HCHC must use the appropriate payment standard amount established by the HCHC for the exception area in accordance with regulation 24 CFR 982.503.

Operation and Management. A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. ([24 CFR §903.7\(e\)\(3\)\(4\)](#)).

The Housing Commission currently administers the following programs:

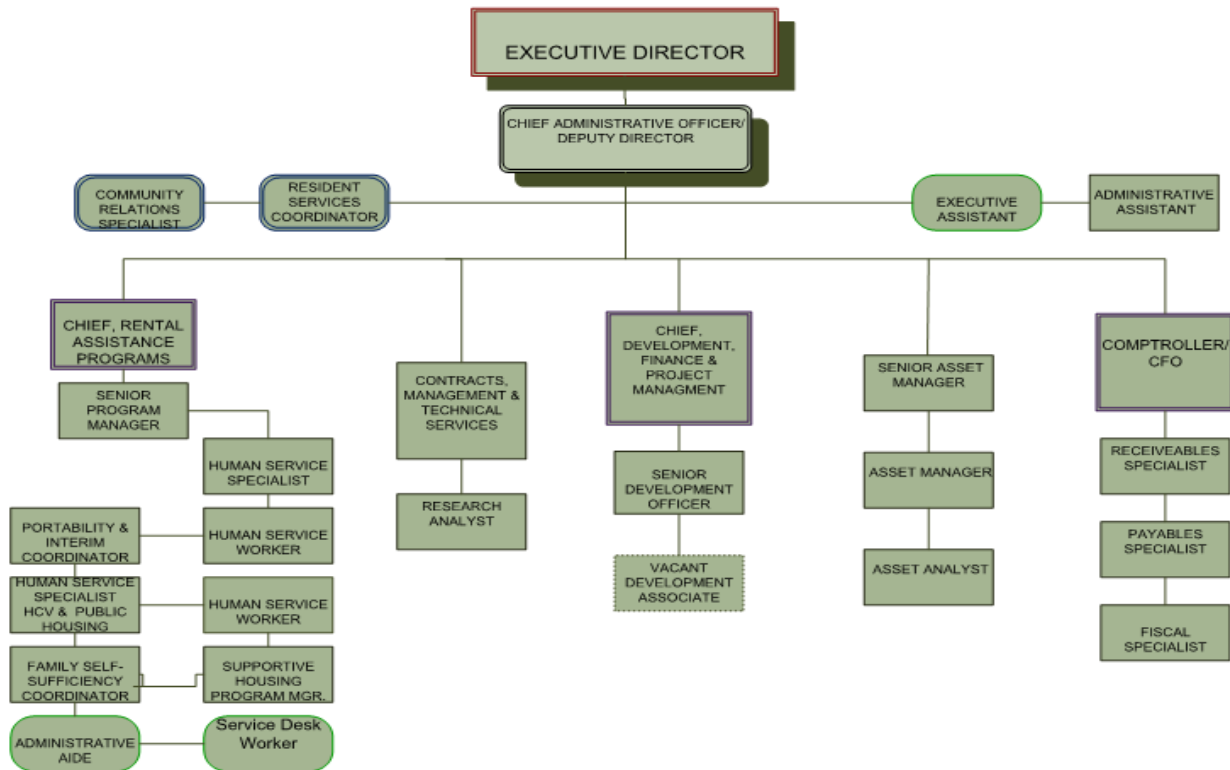
- Housing Choice Voucher Program
- HOPWA Program (Housing Opportunities for Persons with AIDS)
- Family Self Sufficiency Program
- Bridge Subsidy Program

The Housing Commission also owns and/or manages the following properties:

- Morningside Park Apartments (60 Units)
- Stoney Run (20 Units)
- Tiber Hudson (25 Units)
- Orchard Crossing (36 Units)
- Selborne Dorsey (48 Units)
- Columbia Landing (300 Units)
- Verona @ Oakland Mills (251 Units)
- Columbia Commons (200 Units)
- Gateway Village (132 Units)
- Oxford Square (248 Units)
- Burgess Mill Station (198 Units)
- Monarch Mills (269 Units)
- Scattered Site Units (42 Units)

Howard County Housing Commission Organizational Structure

The Howard County Housing Commission’ organizational structure currently consists of thirty-eight (38) positions. The organization is headed by an Executive Director and a Deputy Director who are supported by three (3) executive staff positions. There are also six (6) program chiefs, two (2) senior program managers and 25 general staff. The Housing Commission recently transitioned into a separate entity from county government.



Informal Review and Hearing Procedures. A description of the informal hearing and review procedures that the PHA makes available to its applicants. ([24 CFR §903.7\(f\)](#))

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the PHA. This Chapter describes the policies, procedures and standards to be used when families disagree with a PHA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the PHA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE HCHC

The HCHC will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The HCHC requires that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone. The HCHC hearing procedures will be provided to families in the briefing packet.

Categories of Complaints

Complaints from families: If a family disagrees with an action or inaction of the HCHC or owner.

Complaints from families will be referred to the assigned Human Service Specialist or other designated staff person. If a complaint is not resolved, it will be referred to the Chief or Deputy Chief of the

Housing Choice Voucher & Public Housing Programs. If additional action is required the compliant will be referred to the Executive Director or designee.

Complaints from owners: If an owner disagrees with an action or inaction of the HCHC or a family.

Complaints from owners concerning program participants will be referred to the assigned Human Service Worker. If a complaint is not resolved, it will be referred to the Lead Human Service Worker. If additional action is required the compliant will be referred to the Chief or Deputy Chief of the Housing Choice Voucher & Public Housing Programs.

Complaints from owners concerning Human Service Workers will be referred to the HCV Deputy Chief . If a complaint is not resolved, it will be referred to the Chief of Housing Choice Voucher & Public Housing Programs. If additional action is required the compliant will be referred to the Executive Director or designee

Complaints from the general public: Complaints or referrals from persons in the community in regard to the HCHC, a family or an owner.

Complaints from the general public will be referred depending on the nature of the complaint, but will typically be referred to a Human Service Worker. If additional action is required the complaint will be referred to the Investigator. The Chief of Housing Choice Voucher & Public Housing Programs and the Executive Director or designee will be consulted as needed.

B. PREFERENCE DENIALS [24 CFR 5.415]

When the HCHC denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for an informal review. Different from an informal review or hearing, the review of the preference denial can be conducted by the staff person that made the decision to deny the preference. The review is limited to the circumstances pertinent to the preference denial.

C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS [24 CFR 982.54(d)(12), 982.554]

Informal reviews are provided for applicants who are denied assistance before the effective date of the HAP Contract. The exception is when an applicant is denied assistance for citizenship or eligible immigrant status. In these cases the applicant is entitled to an informal hearing.

When the HCHC determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain the following:

- The reason(s) they are ineligible;
- The right to an explanation if the applicant does not agree with the decision;
- The procedure for requesting a review if the family disputes the decision;
- The time limit for requesting a review;
- To whom the review request should be addressed; and
- When the denial is based on a criminal conviction as shown on a criminal record, the HCHC will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision was made.

A copy of the HCHC's Informal Review Procedures will be transmitted when the applicant is scheduled for an Informal Review.

The HCHC must provide applicants with the opportunity for an Informal Review of decisions denying:

- Listing on the HCHC's waiting list;
- Preference qualification;
- Voucher Issuance;
- Program participation; and
- Portability

Informal Reviews are not required for established HCHC policies and procedures and determinations such as:

- Discretionary administrative determinations;
- General policy issues or class grievances;
- A determination of the family unit size under the HCHC subsidy standards;
- Refusal to extend or suspend a Voucher;
- A determination not to grant approval of the tenancy;
- Determination that unit is not in compliance with HQS; or
- Determination that unit is not in accordance with HQS due to family size or composition.

Procedure for Review

A request for an Informal Review must be submitted in writing and received no more 10 days from the date of the HCHC's notification of denial of assistance.

The Informal Review will be scheduled within 30 days from the date the request is received. The Informal Review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person. The review may be conducted by a supervisory level staff person that did not participate in the decision making process.

The applicant will be given the option of presenting oral or written objections to the decision. Both the HCHC and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense. The review may be conducted by mail and/or telephone at the discretion of the HCHC unless the family presents reasonable concerns that a mail and/or telephone review places them at a disadvantage due to a disability, limited verbal or written skills or limited English Proficiency.

A notice of the review findings will be provided in writing to the applicant within 10 days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision. All review requests, supporting documentation, and a copy of the final decision will be retained in the family's file.

D. INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]

Program participants will be notified in writing when the HCHC makes a decision regarding continued eligibility and/or the amount of assistance. The HCHC will give the family prompt notice of such determinations that will include:

- The proposed action or decision of the HCHC;
- The date the proposed action or decision will take place;
- The family's right to an explanation of the basis for the HCHC's decision;
- The procedures for requesting a hearing if the family disputes the decision;

- The time limit for requesting the hearing;
- To whom the hearing request should be addressed;
- When the termination is for criminal activity as shown on a criminal record, the HCHC will provide the subject of the record and the program participant with a copy of the criminal record upon which the decision was made.

A copy of the HCHC's Informal Hearing Procedures will be transmitted when the program participant is provided notice of the date and time of the Informal Hearing.

The HCHC must provide participants with the opportunity for an Informal Hearing for decisions related to any of the following HCHC determinations:

- Determination of the family's annual or adjusted income and the computation of the housing assistance payment;
- Appropriate utility allowance computation;
- Family unit size determination under HCHC subsidy standards
- Determination that pre-merger Certificate program family is under-occupied in their current unit and a request for exception is denied;
- Determination to terminate assistance for any reason;
- Determination to terminate a family's FSS Contract, withhold supportive services, or propose forfeiture of the family's escrow account; or
- Determination to pay an owner claim for damages, unpaid rent or vacancy loss.

The HCHC must always provide the opportunity for an Informal Hearing before termination of assistance.

Informal Hearings are not required for established HCHC policies and procedures and determinations such as:

- Discretionary administrative determinations;
- General policy issues or class grievances;
- Establishment of the HCHC schedule of utility allowances for families in the program;
- A determination not to approve an extension or suspension of a voucher term;
- A determination not to approve a unit or lease;
- A determination that an assisted unit is not in compliance with HQS (HCHC must provide hearing for family breach of HQS because that is a family obligation determination);
- A determination that the unit is not in accordance with HQS because of the family size; or
- A determination to exercise or not exercise any right or remedy against the owner under a HAP contract.

Notification of Hearing

It is the HCHC's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the HCHC will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the HCHC receives a request for an informal hearing, a hearing shall be scheduled within 30 days. The notification of hearing will contain:

- The date and time of the hearing.
- The location where the hearing will be held.
- The family's right to bring evidence, witnesses, legal or other representation at the family's expense.
- The right to view any documents or evidence in the possession of the HCHC upon which the HCHC based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing. Requests for such documents or evidence must be received no later than 10 days before the hearing date.
- A notice to the family that a copy of any documents or evidence they intend to use at the hearing must be supplied to HCHC no later than three days before the hearing date.
- **The HCHC's Hearing Procedures**

After a hearing date is agreed to, the family may request to reschedule only upon showing "good cause," which is defined as *an unavoidable conflict which seriously affects the health, safety or welfare of the family*. The family must submit their request to reschedule in writing. The request will be forwarded to the hearing officer for the decision to grant or deny the request. If the decision is granted, the family will be given one opportunity to reschedule the informal hearing. If the decision is denied the family must appear for the scheduled Informal Hearing. If the family fails to appear for the scheduled appointment the family will be deemed a "no show" and the decision to terminate will be upheld.

The family must appear for the Informal Hearing at or prior to the scheduled hearing appointment time. If the family is 30 minutes late for the hearing the family will be deemed a "no show" and the decision to terminate will be upheld.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the HCHC within 48 hours, excluding weekends and holidays. The HCHC will reschedule the hearing only if the family can show good cause for the failure to appear.

Families have the right to:

- Present written or oral objections to the HCHC's determination;
- Examine the documents in the file that are the basis for the HCHC's action, and all documents submitted to the Hearing Officer;
- Copy any relevant documents at their expense;
- Present any information or witnesses pertinent to the issue of the hearing;
- Request that HCHC staff be available or present at the hearing to answer questions pertinent to the case; and
- Be represented by legal counsel, advocate, or other designated representative at their own expense.

If the family requests copies of documents relevant to the hearing, the HCHC will make the copies for the family and assess a charge of \$.15 per copy for any request in excess of fifteen copies. In no case will the family be allowed to remove the file from the HCHC's office.

In addition to other rights contained in this Chapter, the HCHC has a right to:

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

The Informal Hearing shall be conducted by the Hearing Officer appointed by the HCHC who is neither the person who made or approved the decision, nor a subordinate of that person. The HCHC hearing officer may be a member of the HCHC management staff or other appropriate official designated by HCHC.

The hearing shall concern only the issues for which the family has received the opportunity for hearing.

Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The Hearing Officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the HCHC shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action, inaction or decision of the HCHC is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the Hearing Findings shall be provided in writing to the HCHC and the family within 30 days and shall include:

- A clear summary of the decision and reasons for the decision;
- If the decision involves money owed, the amount owed and documentation of the calculation of monies owed; and
- The date the decision goes into effect.

The HCHC is not bound by hearing decisions:

- Which concern matters in which the HCHC is not required to provide an opportunity for a hearing;
- Which conflict with or contradict to HUD regulations or requirements;
- Which conflict with or contradict Federal, State or local laws; or
- Which exceed the authority of the Hearing Officer.

The HCHC shall send a letter to the participant if it determines the HCHC is not bound by the Hearing Officer's determination within 30 days. The letter shall include the HCHC's reasons for the decision.

All requests for a hearing, supporting documentation and a copy of the final decision will be retained in the family's file.

The Howard County Housing Commission's Hearing Process

The Informal Hearing shall consist of:

1. Disposition of all outstanding preliminary matters by the Hearing Officer.
2. Opening statements by the parties.
3. Presentation by a HCHC representative.
 - a. Testimony of HCHC representative and/or other witnesses and introduction of documentary evidence.
 - b. Questioning of HCHC representative and/or witnesses by the program participant and the hearing officer.
4. Presentation of the program participant.
 - a. Testimony of the program participant and other witnesses and introduction of documentary evidence.
 - b. Questioning of the program participant and witnesses by the HCHC representative and the hearing officer.
5. A one-time opportunity for the HCHC to respond to the evidence presented by the program participant.
6. Closing statements.
7. An announcement of the decision of the Hearing Officer, or the announcement that the final decision will be transmitted in writing with 30 working days.

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

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal. Assistance to a family may not be terminated or denied while the HCHC hearing is pending but assistance to an applicant may be delayed pending the HCHC hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the HCHC notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the HCHC either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the HCHC a copy of the appeal and proof of mailing or the HCHC may proceed to deny or terminate. The time period to request the HCHC for good cause may extend an appeal.

The request for a HCHC hearing must be made within 10 days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within 10 days of receipt of that notice. After receipt of a request for an Informal Hearing, the hearing is conducted as described in this chapter for both applicants

and participants. If the Hearing Officer decides that the individual is not eligible, and there are no other eligible family members the HCHC will:

- Deny the applicant family;
- Defer termination if the family is a participant and qualifies for deferral; or
- Terminate the participant if the family does not qualify for deferral.

If there are eligible members in the family, the HCHC will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status will be handled as follows:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.
- Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
- Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.
- Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

CONSIDERATION OF CIRCUMSTANCES [24CFR 982.552(c)(2)]

In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

(i)The PHA may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

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

Homeownership Programs. A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. ([24 CFR §903.7\(k\)](#))

The Howard County Housing Commission operates a Homeownership Voucher Program. Currently 74% of all housing units in Howard County are owner-occupied. The Commission does not limit the number of families participating in the program. The program eligibility requirements are as follows:

Families participating in the Section 8 Homeownership Program must be in good standing, and must have participated in the Section 8 Program, or other Howard County or Housing Commission programs

for at least 2 years prior to execution of the Contract of Sale. The family must also have participated in the Family Self Sufficiency Program for a period of at least 6 months prior to the date of settlement.

The minimum income required for program participation is \$24,000.00. If the family meets the HUD minimum income requirements of the Federal Minimum hourly wage rate multiplied by 2,000 hours, and has been pre-qualified for financing with a lending institution which meets the requirements of Section 25.7 of this plan, they are exempted from the \$24,000.00 minimum income requirement. Welfare assistance shall not be counted towards the \$24,000.00 minimum income requirement unless the head of household is elderly or disabled, as defined in the Administrative Plan.

Eligible families must demonstrate that at least one adult member of the family who will own the home at commencement of homeownership assistance is currently employed at least 30 hours per week, and has been continuously employed for at least one year prior to commencement of homeownership assistance. This requirement does not apply for families where the head of household is elderly or disabled.

In order to qualify for participation in the Section 8 Homeownership Program, the family must qualify as a “first-time homeowner”. A first-time homeowner is defined as a family of which no member owned or presently has any ownership interest in a unit during the three years before commencement of homeownership assistance. A first-time homeowner also includes a single parent or displaced homemaker who while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.

Eligible families shall not include any family with a member who has previously received assistance under the homeownership option, and has defaulted on a mortgage securing debt incurred to purchase the home.

Prior to commencement of homeownership assistance, the family must attend and satisfactorily complete pre-assistance homeownership counseling with a HUD approved counseling agency, or an equivalent program of counseling activities as designated by the Commission.

Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements. A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA’s partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA’s partnerships with other entities, and activities under section 3 of the Housing and Community Development Act of 1968 and under requirements for the Family Self-Sufficiency Program and others. Include the program’s size (including required and actual size of the FSS program) and means of allocating assistance to households. ([24 CFR §903.7\(l\)\(i\)](#)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. ([24 CFR §903.7\(l\)\(iii\)](#)).

SELF SUFFICIENCY INITIATIVES

The Housing Commission sponsors a “Getting Ahead” Program that targets Family Self Sufficiency Participants, Zero Income Families and other low income families residing in Howard County. The “Getting Ahead” Initiative examines the causes of Poverty and helps participants to understand that poverty is not simply caused by the choices of the individual, but is both “generational” and

“situational”. Program participants perform a Self-Assessment, identify personal strengths and establish a personal plan for building resources. The initiative focuses on “Bridges out of Poverty” and examines what the community has to offer as well as what participants can contribute to the community.

FAMILY SELF SUFFICIENCY MINIMUM PROGRAM SIZE

HCHC’s HUD required FSS program size is sixty-nine families; however this number is reduced each time a program participant graduates. This number will be expanded to comply with the minimum program size required by HUD as HCHC is awarded additional units. The required program size minus program graduations is currently forty-four families. The actual number of families currently enrolled in FSS is forty-five. HCHC will assist additional families above the HUD required program size provided the resources and support network is available to meet the needs of participating families.

INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The HCHC **will not** reduce the family share of rent for families whose welfare assistance is reduced specifically because of:

- fraud;
- failure to participate in an economic self-sufficiency program; or
- non-compliance with a work activities requirement.

However, the HCHC **will** reduce the family share of rent if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment.

Substantial Deviation. PHA must provide its criteria for determining a “substantial deviation” to its 5-Year Plan. ([24 CFR §903.7\(r\)\(2\)\(i\)](#))

Significant Amendment/Modification. PHA must provide its criteria for determining a “Significant Amendment or Modification” to its 5-Year and Annual Plan. Should the PHA fail to define ‘significant amendment/modification’, HUD will consider the following to be ‘significant amendments or modifications’: a) changes to rent or admissions policies or organization of the waiting list; or b) any change with regard to homeownership programs. See guidance on HUD’s website at: [Notice PIH 1999-51](#). ([24 CFR §903.7\(r\)\(2\)\(ii\)](#))

A “significant amendment” and “substantial deviation/modification to the Annual Plan is defined as: “A change in policy, not mandated by federal regulations, that substantially alters the nature of the Housing Choice Voucher Program, or represents a major shift in policy areas. This would include actions such as a conversion to a “Moving to Work” agency, major waiting list restructuring, the elimination of major programs, procurement actions involving the expenditure of 25% or more of program administrative funds, or capital fund changes resulting in more than a 25% difference in a spending category unless mandated by a current maintenance deficiency.

Instructions for Preparation of Form HUD-50075-HCV Annual PHA Plan for HCV Only PHAs

A. PHA Information. All PHAs must complete this section. ([24 CFR §903.23\(4\)\(e\)](#))

A.1 Include the full **PHA Name**, **PHA Code**, **PHA Type**, **PHA Fiscal Year Beginning** (MM/YYYY), **Number of Housing Choice Vouchers (HCVs)**, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Annual Plan. All PHAs must complete this section. ([24 CFR §903.11\(c\)\(3\)](#))

B.1 Revision of PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

Housing Needs and Strategy for Addressing Housing Needs. Provide a statement addressing the housing needs of low-income, very low-income families who reside in the PHA’s jurisdiction and other families who are on the Section 8 tenant-based waiting list. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. ([24 CFR §903.7\(a\)\(1\)](#) and [24 CFR §903.7\(a\)\(2\)\(i\)](#)). Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. ([24 CFR §903.7\(a\)\(2\)\(ii\)](#))

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. ([24 CFR §903.7\(b\)](#))

Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. ([24 CFR §903.7\(c\)](#))

Rent Determination. A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. ([24 CFR §903.7\(d\)](#))

Operation and Management. A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. ([24 CFR §903.7\(e\)\(3\)\(4\)](#)).

Informal Review and Hearing Procedures. A description of the informal hearing and review procedures that the PHA makes available to its applicants. ([24 CFR §903.7\(f\)](#))

Homeownership Programs. A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. ([24 CFR §903.7\(k\)](#))

Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements. A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA’s partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA’s partnerships with other entities, and activities under section 3 of the Housing and Community Development Act of 1968 and under requirements for the Family Self-Sufficiency Program and others. Include the program’s size (including required and actual size of the FSS program) and means of allocating assistance to households. ([24 CFR §903.7\(l\)\(i\)](#)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. ([24 CFR §903.7\(l\)\(iii\)](#)).

Substantial Deviation. PHA must provide its criteria for determining a “substantial deviation” to its 5-Year Plan. ([24 CFR §903.7\(r\)\(2\)\(i\)](#))

Significant Amendment/Modification. PHA must provide its criteria for determining a “Significant Amendment or Modification” to its 5-Year and Annual Plan. Should the PHA fail to define ‘significant amendment/modification’, HUD will consider the following to be ‘significant amendments or modifications’: a) changes to rent or admissions policies or organization of the waiting list; or b) any change with regard to homeownership programs. See guidance on HUD’s website at: [Notice PIH 1999-51](#). ([24 CFR §903.7\(r\)\(2\)\(ii\)](#))

If any boxes are marked “yes”, describe the revision(s) to those element(s) in the space provided.

B.2 New Activity. If the PHA intends to undertake new activity using Housing Choice Vouchers (HCVs) for new Project-Based Vouchers (PBVs) in the current Fiscal Year, mark “yes” for this element, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake this activity, mark “no.” ([24 CFR §983.57\(b\)\(1\)](#) and Section 8(13)(C) of the United States Housing Act of 1937.

Project-Based Vouchers (PBV). Describe any plans to use HCVs for new project-based vouchers. If using PBVs, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.

- B.3 Most Recent Fiscal Year Audit.** If the results of the most recent fiscal year audit for the PHA included any findings, mark “yes” and describe those findings in the space provided. ([24 CFR §903.11\(c\)\(3\)](#), [24 CFR §903.7\(p\)](#))
- B.4 Civil Rights Certification.** Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction’s initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. ([24 CFR §903.7\(o\)](#))
- B.5 Certification by State or Local Officials.** Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, including the manner in which the applicable plan contents are consistent with the Consolidated Plans, must be submitted by the PHA as an electronic attachment to the PHA Plan. ([24 CFR §903.15](#))
- B.6 Progress Report.** For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year PHA Plan. ([24 CFR §903.11\(c\)\(3\)](#), [24 CFR §903.7\(r\)\(1\)](#))
- B.7 Resident Advisory Board (RAB) comments.** If the RAB provided comments to the annual plan, mark “yes,” submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA’s decision made on these recommendations. ([24 CFR §903.13\(c\)](#), [24 CFR §903.19](#))

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 4.5 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

HOUSING CHOICE VOUCHER ADMINISTRATIVE PLAN CHANGES

Chapter 4 – Program Eligibility

- P – 24 Removed the 10 year and 5 year timeframes from the policy for denial due to drug & criminal activity. The new timeframes appear in Chapter 17.
- P – 26 Added new language regarding sexual orientation and gender identity in the definition of “family”.
- P – 29 Deleted policy regarding “Split Households” as the policy appears in Chapter 14.

Chapter 7 – Subsidy & Occupancy Standards

- P – 53 Changed the effective date for decreases in the Payment Standard from the next annual recertification to a 60-day notice.

Chapter 8 – Total Tenant Payment & Family Share Determination

- P – 61 Clarification of what is considered to be acceptable documentation for removal of a spouse from the household
- P – 62 Minimum TTP of \$50.00 will be used only during periods of overutilization with at least a 30-day notice to affected families. The decision to implement will be made by the Executive Director.
- P – 62 Clarification on the policy for how child support payments will be calculated.
- P – 65 Removed the deduction for child care expenses to allow a person to look for work in accordance with a recent change in HUD policy.

Chapter 9 – Verification Procedures

- P – 73 Added clarifying language to specify how income will be calculated when additional pay stubs or wage printouts are supplied, as well as when year-to-date information will be used.
- P – 78 Added language authorizing an audit of child care expenses when they exceed 50% of gross household income.

Chapter 12 – Housing Quality Standards And Inspections

- P – 102 Inspection categories were revised to allow for Bi-Annual Inspections in accordance with a recent change in HUD regulations. Annual inspections will continue if the unit has failed inspection in the past 2 years or if the last full inspection was an initial inspection.

Chapter 13 – Payment Standards & Contract Rent

- P – 114 Added language regarding effective dates for mid-month rent increases.

Chapter 14 – Recertifications

- P – 121, 123, 127 & 128 Changed the family notification period for increases in rent from 30 days to 28 days.

Chapter 15 – Moves with Continued Assistance/Portability

- P – 132 & 133 Added language to clarify that a family will not be allowed to move if they are evicted for a major breach of lease.
- P – 133 Added language to allow the tenant to enter a repayment agreement with a previous landlord to repay tenant caused damages with a minimum 25% down-payment.
- P – 135 Corrected information to reflect that the initial PHA is only responsible for collecting damage claims if the claim originated in their jurisdiction.

Chapter 17 – Denial or Termination of Assistance

- P – 145 - 151 Total revision of policy for denials of admission due to illegal drug or violent criminal activity due to recent shift in HUD ideology for denials. Changed “lookback period” from 10 years to 3 years for less serious crimes. The more serious crimes are handled on a case by case basis by a Review Committee.
- P – 160 Removed language that conflicts with the new policy to allow household additions, outside of those authorized under the current policy, provided that there will not be an increase in the voucher size.

Chapter 20 – Owner or Family Debts to the HCHC

- P – 178 Added language that requires that a family be current on a repayment balance before they can be eligible to be reinstated into the program.
- P – 173 Added language that permits a termination of assistance if payments have been delinquent more than twice within a 12-month period unless the family pays the balance in full.

Chapter 21 – Complaints and Appeals

- P – 177 Adds Deputy Chief as a referral source for complaints
- P – 178 Removes requirement to transmit a copy of the hearing procedures at notice of termination (procedures are generally transmitted at the time that the hearing is scheduled)
- P – 179 Adds provision for persons with disabilities to request a face to face meeting in lieu of a telephone/mail review as an accommodation for their disability
- P – 185 Clarification of 24CFR 982.552(c)(2) in reference to consideration of circumstances

CHAPTER 4 - PROGRAM ELIGIBILITY
[24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]

INTRODUCTION

This Chapter defines both HUD and the PHA's criteria for eligibility for admission to the program. The policy of the HCHC is to strive for objectivity and consistency in applying these criteria to evaluate the eligibility of families who apply. The HCHC staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the HCHC pertaining to their eligibility.

A. ELIGIBILITY FACTORS [24 CFR 982.201]

The HCHC accepts applications only from families whose head or spouse is at least 18 years of age or an emancipated minor. To be eligible for participation, an applicant family must meet HUD's eligibility criteria, as well as any permissible additional criteria established by the HCHC.

The HUD eligibility criteria are:

- An applicant must be a "family".
- An applicant must be within the appropriate Income Limits.
- An applicant must furnish Social Security Numbers for all family members.
- At least one member of the applicant family must be a U.S. citizen or have eligible immigration status, as verified by the HCHC before rental assistance can be provided.
- No family member has been convicted of a felonious drug related or violent criminal act within ~~established time frames~~ the last 10 years. No family member has been convicted of a misdemeanor drug related or violent criminal act within ~~established time frames~~ the last five years, with the exception of simple possession.
- No family member can be subject to a lifetime sex offender registration requirement.

The HUD regulations render a family ineligible for any of the following behaviors:

- A family member has been evicted from federally assisted housing for drug related criminal activity within the past three years.
- A family member is currently engaging in the illegal use of a drug.
- A family member's illegal drug use or pattern of illegal drug use creates reasonable cause to believe such use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- A family member's abuse or pattern of abuse of alcohol creates reasonable cause to believe such use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- A family member has been convicted of drug related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing.
- A family member is subject to a lifetime registration requirement under a State sex offender registration program.

The initial eligibility determination is based on the information supplied by the applicant-head of household ~~and other adult family members for the family~~. The application will be reviewed for completeness and data consistency. Key information documented on the application will be verified.

The initial application review is completed only for the purpose of placing and ranking the applicant on the waiting list. Final determination of program eligibility will not begin until the family reaches the top of the waiting list. At that time all the eligibility factors will be verified before the applicant is approved for admission.

Reasons for denial of admission are addressed in Chapter 17 Denial or Termination of Assistance.

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

The HCHC will apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the program:

- The family must not have violated any family obligation during a previous participation in the Housing Choice Voucher Program for five years prior to final eligibility determination. The HCHC may make an exception, if the family member who violated the family obligation is not a current member of the household on the application.
- A family will not be admitted to the program if any member of the family has been evicted from federally assisted housing for a serious lease violation within the last five years.
- A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by HUD or HCHC.
- The family must pay any outstanding debt owed the HCHC or another Housing Authority as a result of prior participation in any federal housing program within 30 days of HCHC notice to repay.
- The family must be in good standing regarding any current payment agreement made with another Housing Authority for a previous debt incurred, before the HCHC will allow participation in its Housing Choice Voucher Program.
- The HCHC will check criminal history for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as referenced in the section on One-Strike policy in the Chapter 17 Denial or Termination of Assistance.
- If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, the HCHC may deny assistance and may refer the family file/record to the proper authorities for appropriate disposition. (See Program Integrity Addendum).
- If any applicant voluntarily changes their circumstances in order to make themselves eligible for admission, their name may be removed from the waiting list, or HCHC may opt to apply an ineligibility period of up to 12 months, depending on the nature of the voluntary change.
- No family member can be a lifetime registered sex offender or subject to a lifetime registration requirement.

C. **PROHIBITED ADMISSIONS CRITERIA** [982.202(b)]

Admission to the program may not be based on where the family lives before admission to the program or the following:

- Where the family lives prior to admission or where the family will live after admission.
- Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;
- Discrimination because a family includes children;
- Whether a family decides to participate in a family self sufficiency program; or
- Other reasons as listed in the "Statement of Policies and Objectives" chapter under the Fair Housing and Reasonable Accommodations sections.

D. **CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT**

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

E. **INELIGIBLE FAMILIES**

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to non-citizen status. See "Complaints and Appeals" chapter for additional information about reviews and hearings.

F. **FAMILY COMPOSITION** [24 CFR 982.201]

Family

The applicant must qualify as a "family". A "family" may be a single person or a group of persons. A "family" includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity or marital status:

Further, a family must meet at least one of the criteria in the following two areas:

- Household members related by blood, marriage or adoption, or
- Household members that can demonstrate a stable family relationship over a 12-month period,

Evidence of "stable family relationship" may include any of the following:

- Joint tax return,
- A prior lease held jointly,
- Birth certificates of the children demonstrating parentage,
- Joint bank account statements over a 12 month period,
- Insurance policies, or
- A combination of other documentation deemed credible by HCHC.

A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home, and is not intended to artificially enlarge the space available for other family members.

Two or more unrelated elderly or disabled individuals who have not demonstrated a "stable family relationship" will be eligible as a family since they are individually eligible as an elderly or disabled household.

Single Person

A single person family may be:

- An elderly person
- A displaced person
- A person with a disability
- Any other single person with no dependents

Head of Household

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/local law. Emancipated minors who qualify will be recognized as head of household.

Spouse of Head of Household

Spouse means the husband or wife of the head of household. For proper application of the Non-citizens Rule, the definition of spouse is: the marriage partner, who in order to dissolve the relationship, and would have to be divorced. It includes the partner in a common law marriage. The term "spouse" does not apply to boyfriends, girlfriends, significant others, or co-heads.

Co-Head of Household

An individual in the household who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent.

Live-in Aide

A Family may include a live-in aide provided that such live-in aide:

- Is determined by the HCHC to be essential to the care and well being, ~~on a twenty-four (24) hour basis,~~ of an elderly person or a person with disabilities, (a person providing sporadic care will not be eligible to be considered as a live-in aide)
- Is not obligated for the support of the person(s), and
- Would not be living in the unit except to provide care for the person(s).

A live-in aide is treated differently than family members:

- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits, and

- Live-in aides may not be considered as a remaining member of the tenant family.

Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above. A person working more than 20 hours per week, considering their work schedule and the need(s) of the program participant, ~~may~~ will be excluded from consideration. A live-in aide may only reside in the unit with the approval of the HCHC. Written verification will be required from a reliable, knowledgeable medical professional. The verification provider must certify that a live-in aide is needed for the care of the family member who is elderly or disabled. ~~Verification must include the hours the care will be provided.~~

The HCHC will periodically require the family to submit documentation to support the continued need for a live-in aide.

At any time, the HCHC will refuse to approve a particular person as a live-in aide or may withdraw such approval, in accordance with 24 CFR 982.316, if:

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

Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation and the new families both claim the same placement on the waiting list, and there is no court determination, the HCHC will make the decision taking into consideration the following factors:

- Which family member applied as head of household;
- Which family unit retains the children or any disabled or elderly members;
- Restrictions that were in place at the time the family applied;
- Role of domestic violence in the split; or
- Recommendations of social service agencies or qualified professionals such as children's protective services.

If both household members are disabled and/or elderly the Commission may consider the financial resources of the two parties in making a determination. Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by the HCHC.

Multiple Families in the Same Household

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

Howard County Housing Commission

April 2016

Joint Custody of Children

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively. Families claiming joint custody or temporary guardianship status will be required to provide documentation of such.

When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

Split Households during Program Participation

~~When families currently receiving assistance split, the policies previously outlined for split families prior to voucher issuance will apply. Remaining family members must separately apply when the waiting list is open to receive assistance.~~

G. INCOME LIMITATIONS [24 CFR 982.201(b), 982.353]

To be eligible for assistance, an applicant must have an annual income at the time of admission that does not exceed the very low- income limits for occupancy established by HUD.

To be income eligible the applicant must be a family in the very low-income category, which is a family, whose income does not exceed 50 percent of the area median income. The HCHC will not admit families whose income exceeds 50 percent of the area median income except those families included in 24 CFR 982.201(b).

To be income eligible the family may be under the low-income limit in any of the following categories: [24 CFR 982.201(b)]:

- An extremely low-income family, such that the family's annual income does not exceed 80% of the area median income (AMI) as determined by HUD.
- A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 120 days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.
- A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.
- A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.
- A low-income non-purchasing family residing in a project subject to a home-ownership program under 24 CFR 248.173.
- A low-income family or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.
- A low-income family that qualifies for Voucher assistance as a non-purchasing family residing in a project that is subject to a resident home ownership program.

To determine if the family is income-eligible, the HCHC compares the Annual Income of the family to the applicable income limit for the family's size. The applicable income limit used for

initial issuance of a voucher is the highest income limit within the jurisdiction where the voucher will be used. Families whose Annual Income exceeds the income limit will be denied admission and offered an informal review.

Portability: For initial lease-up at admission, families who exercise portability must be within the applicable income limit for the jurisdiction of the receiving HCHC in which they want to live.

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

Families are required to provide verification of social security numbers for all family members prior to admission. This requirement also applies to persons joining the family after admission to the program. Failure to furnish verification of social security numbers is grounds for denial or termination of assistance.

Persons who have not been issued a social security number must sign a certification that they have never been issued a number. Persons who disclose their social security number but cannot provide verification must sign a certification and provide verification within 60 days. Elderly persons must provide verification within 120 days. An applicant that submits an application without a social security number will be notified of the requirement in writing and given 180 days to supply the number. Failure to supply the social security number will result in the application being rejected.

I. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR Part 5, Subpart E]

In order to receive assistance, at least one family member must be a U.S. citizen or eligible immigrant. Individuals, who are neither, may elect not to contest their status. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD.

For the Citizenship/Eligible Immigration requirement, the status of each member of the family is considered individually before the family's status is defined.

Mixed Families. Families that include eligible and ineligible individuals are called "mixed." Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

All members ineligible. Applicant families that include no eligible members are ineligible for assistance. Such families will be denied admission and offered an opportunity for a hearing.

Non-citizen students. Defined by HUD in the non-citizen regulations. Not eligible for assistance.

Appeals. For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

Verification of Status Before Admission

The HCHC will not provide assistance to families prior to the verification of eligibility for the individual or at least one member of the family pursuant to this section.

J. SCREENING FOR TENANCY SUITABILITY [24 CFR 982.307]]

The HCHC will take into consideration any of the criteria for admission described in the Chapter 17 Denial or Termination of Assistance.

The HCHC will not screen family behavior or suitability for tenancy. The HCHC will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before HCHC approval of the tenancy, the HCHC will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, including such factors as: [24 CFR 982.307(a)(3)]:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health; safety or property of others; and
- Compliance with other essential conditions of tenancy.

Upon request, HCHC will give a potential landlord the following information:

- The family's current and prior recorded address.
- The landlord's name and address of the current and prior address, if on record.\
- Documented Information regarding Rental History or Lease Violations

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

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CHAPTER 7 - SUBSIDY & OCCUPANCY STANDARDS [24 CFR 982.54(d)(9)]

INTRODUCTION

HUD guidelines require that PHA's establish subsidy standards to determine family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards. This Chapter explains the subsidy standards which will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list, as well as the PHA's procedures when a family's size changes or a family selects a unit size that is different from the Voucher.

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

The HCHC does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the Voucher. The HCHC's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements. The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

One bedroom will generally be assigned for each two family members. The HCHC will not consider factors such as age, or family relationship. Accommodations will be granted when medically necessary or when a live-in aide is required. A single head of household and a child will be assigned a two-bedroom voucher.

Generally, the HCHC assigns one bedroom to two people within the following guidelines:

- Heads of household will not be required to share a bedroom with a child or other non-spousal adult.
- Foster children will be granted a separate bedroom only if required by state law. HCHC reserves the right to limit the number of foster children in a subsidized household.
- Live-in aide will generally be provided a separate bedroom.
- Space may be provided for a child who is away at boarding school, college or other HCHC accepted institution but who lives with the family during school recesses. HCHC reserves the right to determine acceptable absence time period as defined in Chapter 8

Total Tenant Payment & Family Share Determination.

- 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 who is away in the military.
- A single pregnant woman with no other family members will be assigned a two bedroom voucher if pregnant at the time of certification for occupancy purposes. If the pregnancy fails to go to term or does not result in a live-birth, the single head of household will be given a one bedroom voucher at the next recertification.
- Single person families shall be allocated one bedroom.

GUIDELINES FOR DETERMINING VOUCHER SIZE		
Voucher Size	Persons in Household	
	Minimum Number	Maximum Number
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	5	6
4 Bedrooms	7	8
5 Bedrooms	9	10
6 Bedrooms	11	12

B. EXCEPTIONS TO SUBSIDY STANDARDS [24 CFR 982.403(a) & (b)]

HCHC will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a:

- Verified medical or health reason; or
- Elderly persons or persons with disabilities who may require a live-in attendant.

Request for Exceptions to Subsidy Standards

HCHC will not issue a larger voucher due to additions of family members other than by birth of a child to any current household member, adoption by the head of household, marriage of the head of household, or court-awarded custody of a minor child or dependent to the head of household or current adult household member. The Commission may approve an addition to the household for a family member that does not meet the above criteria, however the family will not be eligible for an increase in the voucher size.

The family may request a larger sized voucher than indicated by the HCHC's subsidy standards. Such request must be made in writing within seven days of the HCHC's determination of bedroom size. The request must explain the need or justification for a larger bedroom. Documentation verifying the need or justification will be required as appropriate.

Requests based on disability must be verified by a reliable, knowledgeable medical professional.

PHA Error

If the HCHC makes an error in the bedroom size designation, the family will be issued a voucher of the appropriate size.

Changes for Applicants

The voucher size is determined prior to the briefing by comparing the family composition to HCHC's subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of the HCHC subsidy standards, the above referenced guidelines will apply.

Changes for Participants

The members of the family residing in the unit must be approved by the HCHC. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within 30 days. The above referenced guidelines will apply.

Underhoused and Overhoused Families

If a unit does not meet HQS space standards due to an increase in family size that is consistent with the policies in Section 5 of this chapter, the HCHC will issue a new voucher of the appropriate size and facilitate access to resources that will help the family locate a suitable unit. ~~In case of a decrease in family size, the HCHC will issue a new voucher of the appropriate size at the next annual recertification.~~

C. UNIT SIZE SELECTED [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the voucher. There are three criteria to consider:

Subsidy Limitation: The family unit size as determined for a family under the PHA subsidy standard for a family assisted in the voucher program is based on the PHA's adopted payment standards. The payment standard for a family shall be the *lower of*:

- The payment standard amount for the family unit size; or
- The payment standard amount for the unit size rented by the family.

Utility Allowance: The utility allowance used to calculate the gross rent is based on the lesser of the actual bedroom size of the unit that the family selects, or the bedroom size listed on the voucher regardless of the size authorized on the family's Voucher.

HQS: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

HQS GUIDELINES FOR UNIT SIZE SELECTED	
Unit Size	Maximum Number in Household
0 Bedroom	1
1 Bedroom	4

2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

D. DECREASES TO VOUCHER SIZE

When a family is over-housed, HCHC will allow the family adequate time (a minimum of 360 days) during the current recertification period to locate to a smaller unit. If the family is unsuccessful in locating a unit within the 360 days (unless a reasonable accommodation is granted) the decrease in the voucher payment standard ~~may will be deferred~~ will be decreased until the next annual recertification if budget authority is available. ~~to the appropriate size. This will impact (typically increase) the family's portion of the rent. If the Commission determines that the change or verification of the change did not occur in a timely manner the family will receive a 30-day notice of a reduction in the payment standard.~~

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CHAPTER 8 - TOTAL TENANT PAYMENT & FAMILY SHARE DETERMINATION
[24 CFR Part 5, Subparts E and F; 982.153, 982.551]

INTRODUCTION

The PHA will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and at annual reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. The formula for the calculation of TTP is specific and not subject to interpretation. The PHA's policies in this Chapter address those areas which allow the PHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

A. INCOME AND ALLOWANCES [24 CFR 5.609]

Income: Includes all monetary amounts, which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income that is not specifically excluded in the regulations is counted.

Gross Income: The amount of income prior to any HUD allowable expenses or deductions and does not include income that has been excluded by HUD.

Annual Income: The gross amount of all types of income anticipated to be received (earned, given or derived from assets) by the family during the 12 months after certification or recertification. Annual income is used to determine whether or not applicants and participants are within the applicable income limits. Annual income includes, but is not limited to the following:

- The full amount before any payroll deductions of wages, salaries and other compensation for personal services;

- Net income from operation of a business or profession;
- Interest, dividends and other net income of any kind from real or personal property;
- The full amount of periodic payments (e.g., social security, annuities, pensions, disability and death benefits) not specifically excluded;
- Payments in lieu of wages, salary or other earnings (e.g., workers compensation or unemployment) not specifically excluded;
- Welfare assistance;
- Periodic determinable allowances such as alimony, and child support payments (e.g., amount awarded by the court unless evidenced by third party documentation to the contrary) and regular contribution from non-lease household members; and
- All pay and allowances from the armed forces, not specifically excluded (e.g., hostile fire pay).

A family who actually works less than 12 months, as required by their employment, will have their income treated as though they worked 12 months, but will qualify for a reduction in rent for periods of at least 30 days that they do not work. If employment periods are not consistent then income will be averaged over periods of employment as well as periods of unemployment.

All identified income sources must be calculated for the head of household, spouse and all other adult household members. Income for permanently absent household members will not be calculated or considered for determining family size. Notice of a permanent absence will result in a subsidy standard review and income re-determination.

Excluded annual income includes:

- Income from employed household members under the age of 18;
- Foster care payments;
- Lump sum additions such as inheritances and insurance payments;
- Medical expense payments;
- Live-in aide income;
- Student financial assistance;
- Armed forces hostile fire pay;
- Stipends that do not exceed \$200 monthly and training program payments funded by HUD;
- Temporary, nonrecurring or sporadic income;
- Reparation payments paid as a result of claims filed under Nazi persecution;
- Full time student (excluding the head of household and spouse) earnings in excess of \$480;
- Adoption assistance in excess of \$480 per child;
- Supplemental Social Security lump sum, deferred periodic payments;
- Refunds or rebates under state or local law for paid property taxes;
- Payments made on behalf of a developmentally disabled household member to keep member in the home; and
- Amounts excluded by Federal statute.

Adjusted Income: The annual income minus any HUD allowable expenses and deductions. HUD has five allowable deductions from Annual Income:

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- **Dependent Allowance:** \$480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.
- **Elderly/Disabled Allowance:** \$400 per family for families whose head or spouse is 62 or over or disabled.
- **Allowable Medical Expenses:** Deducted for all family members of an eligible elderly/disabled family.
- **Child Care Expenses:** Deducted for the care of children under 13 when child care is necessary to allow an adult member to work, attend school, or actively seek employment.
- **Allowable Disability Assistance Expenses:** Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

Allowable deductions from Annual Income are reviewed and verified at each annual reexamination.

B. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT
 [24 CFR 982.54(d)(10), 982.551]

The HCHC must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, HCHC must count the income of the spouse or the head of the household, if that person is temporarily absent, even if that person is not on the lease. If the head or spouse is away from the unit strictly for employment purposes they will not be considered as temporarily absent.

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

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

Absence of Any Member

Any member of the household (excluding head or spouse) will be considered temporarily absent if he/she is away from the unit for 180 days nonconsecutive days. A member of the household will be considered permanently absent if he/she is away from the unit for 90 consecutive days. Exceptions to these standards are provided in this Chapter.

Absence due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the HCHC will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 180 consecutive days, the family member will not be considered permanently absent.

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

Absence Due to Full-time Student Status

Full time students who attend school away from the home and live with the family during school recess will be considered temporarily absent from the household, as evidenced by documentation from the school verifying full-time student status (e.g., class schedule).

Absence due to Incarceration

If the sole member is incarcerated for more than 90 consecutive days, he/she will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if he/she is incarcerated for 180 consecutive days.

The HCHC will determine if the reason for incarceration is for drug-related or violent criminal activity or violates any HUD requirement as detailed in Chapter Program Eligibility and Chapter 17 Denial or Termination of Assistance.

Absence of Children due to Placement in Foster Care

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

If the time period is to be greater than 12 months from the date of removal of the child/ren, the voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the HCHC's subsidy standards.

Absence of Entire Family

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

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

Families must notify the HCHC at least five days before leaving the unit, if they are going to be absent from the unit for more than 21 consecutive days.

If it is determined that the entire family is absent from the unit for more than 90 consecutive days, the unit will be considered vacant, HCHC will discontinue HAP payments and the program participation will be terminated.

"Absence" means that no family member is residing in the unit. In order to determine if the family is absent from the unit, HCHC may:

- Write letters to the family at the unit;
- Telephone the family at the unit;
- Interview neighbors;
- Verify if utilities are in service;
- Check with the post office; and
- Contact landlord.

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

If the absence which resulted in termination of assistance was due to a person's disability, and the PHA can verify that the person was unable to notify the HCHC in accordance with the family's responsibilities, and if funding is available, the HCHC may reinstate the family as an accommodation if requested by the family, as long as the period was within 180 consecutive days.

Caretaker for Children

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the HCHC will treat that adult as a visitor for the first 180 days.

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

If the appropriate agency cannot confirm the guardianship status of the caretaker, the HCHC will review the status at six month intervals.

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

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

The HCHC will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 180 days and it is reasonable to expect that custody will be granted.

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

If a member of the household is subject to a court order that restricts him/her from the home for more than 90 days, the person will be considered permanently absent.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than 14 consecutive days without HCHC approval, or a total of 30 days in a 12 month period, will be considered to be living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is an unauthorized member. Statements from neighbors and/or the landlord will be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

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

In a joint custody arrangement, if the minor is in the household less than 181 days per year, the minor will be considered to be an eligible visitor and not a family member.

Reporting Additions to Owner and PHA

Reporting changes in household composition to the HCHC is both a HUD and a PHA requirement.

The family obligations require the family to request HCHC approval to add any other family member as an occupant of the unit and to inform the PHA of the birth, adoption or court-awarded custody of a child. The family must request prior approval of additional household members in writing.

If the family does not obtain prior written approval from the HCHC, any person the family has permitted to move in will be considered an unauthorized household member.

Persons who are not household members are prohibited from receiving mail at the subsidized address, nor are they allowed to have a car registered at the address or to list the subsidized address on any legal document including but not limited to, police reports, any type of application, driver's license or identification card.

It shall be policy of the HCHC to require families to report in writing the name, permanent address and age of any person (minor or adult) who visits for more than a 14 day period. In the event that a visitor continues to reside in the unit after the maximum allowable time, the family must report it to the HCHC in writing within three days of the maximum allowable time.

Families are required to report any additions to the household in writing, requesting permission to make additions to the household prior to the end of the month in which the change occurs. If approved, an interim reexamination will be conducted for any additions to the household. The added family member will be required to sign all required forms (if applicable) and supply all required documentation including income. In addition, the lease may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody.

Additions to Household due to Marriage

The Head of Household must contact the PHA to submit a potential spouse for a criminal background check prior to making a decision to get married. If the marriage is finalized and the spouse does not pass the criminal background check the entire household will be determined to be ineligible for assistance. The PHA will not allow the spouse to be removed after the criminal background check determines that he/she is ineligible.

Removal of Spouse due to Separation

The PHA will not remove a spouse from the household without proper verification of a new address, and appropriate documentation that the Head of Household has applied for child support payments or executed an agreement for voluntary payments reflective of the spouse's income. Acceptable verification of a new address includes a Landlord Tenant Lease acceptable to the PHA, a utility bill, or a **combination** of at least three other verifications to include banking verifications, credit card bills, telephone bills, pay stubs, driver's license, car insurance documents etc. The Housing Commission reserves the right to determine what constitutes acceptable verification of absence from the household.

Reporting Absences to the PHA

Reporting changes in household composition is both a HUD and a PHA requirement.

If a family member leaves the household, the family must report this change to the HCHC, in writing, prior to the end of the month in which the change occurs and certify as to whether the member is temporarily absent or permanently absent.

The HCHC will conduct an interim evaluation for changes that affect the TTP accordance with the interim policy.

C. AVERAGING INCOME

When annual income cannot be anticipated for a full 12 months, the HCHC may:

- Average known sources of income that vary to compute an annual income, or
- Annualize current income and conduct an interim reexamination if income changes.

If there are bonuses or overtime which the employer cannot anticipate for the next 12 months, bonuses and overtime received the previous year will be used.

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

The PHA reserves the right to limit interims for persons who are sporadically or self employed to once per quarter based on an average of wages during one or more previous quarters. If the person was self-employed the previous year then income from the previous year tax returns will be used. If the PHA determines that the pattern of earnings from the previous year has substantially changed an interim will be processed to reflect the reduction in income.

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

D. MINIMUM INCOME

There is no minimum income requirement for the Housing Choice Voucher Program. Families who report gross household income less than \$1,800.00 annually are required to appear monthly at the Housing Commission Office for review of family income, family resources, and family financial opportunities. Households who can document hardship based on a disability, a major medical event or age may be exempted from this requirement on a permanent or a temporary basis, but may be required to submit a written certification of household income and expenses every 30 days. Failure to honor two zero income appointments or to submit two written certifications within any 12 month period will result in the termination of the family's assistance.

Families that report income less than \$1,800.00 annually will be required to provide information regarding their means of basic subsistence, such as food, utilities, telephone, cable, transportation, household expenses, etc.

If the family's expenses exceed their known income, the PHA will make inquiry of the head of household as to the nature of the family's accessible resources.

It shall be the policy of HCHC to set the minimum TTP at \$50.00 for all assisted families during periods of overutilization with at least a 30-day notice to participant families. The decision to institute a minimum rent will require approval by the Executive Director. The minimum TTP may be instituted at any Annual or Interim Recertification.

**E. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME
[24 CFR 982.54(d)(10)]**

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, HCHC will calculate the income by using the following methodology and use the income figure that would result in a lower payment by the family:

Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.

or

Include the income of the person permanently confined to the nursing home and give the family the medical deductions allowable on behalf of the person in the nursing home.

F. REGULAR CONTRIBUTIONS AND GIFTS [24 CFR 5.609]

Regular contributions and gifts received from persons outside the household are counted as income for calculation of the TTP.

Any contribution or gift received every 180 days or more frequently will be considered a "regular" contribution or gift, unless the amount is less than \$250 per year. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts (see Chapter 9 Verification Procedures for further definition).

If the family's expenses exceed its known income, the PHA will inquire of the family regarding contributions and gifts.

G. ALIMONY AND CHILD SUPPORT [24 CFR 5.609]

Regular alimony and child support payments are counted as income for calculation of TTP. If the amount of child support or alimony received is less than the amount awarded by the court, the HCHC will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided. It will be the policy of the HCHC to utilize a 6-month average when determining support income, if collection data is available. A shorter period will be averaged if payment data is not available. If payments have not been received within the past 60 days, or if the payee has a history of making regular payments and the Commission has verification that the payee is no longer working support income will not be included.

The HCHC will accept verification that the family is receiving an amount less than the award if:

- The HCHC receives verification from the agency responsible for enforcement or collection;
- The family furnishes documentation of child support or alimony collection action filed through a child support enforcement/collection agency; or
- Has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply a certified copy of the divorce decree or separation agreement.

H. LUMP-SUM RECEIPTS [24 CFR 5.609]

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, are not included in income but may be included in assets.

Lump-sum payments greater than 60 days caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset. Deferred periodic payments which have accumulated due to a dispute will be treated the same as periodic payments which are deferred due to delays in processing.

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt:

The HCHC uses a calculation method that calculates retroactively or prospectively depending on the circumstances.

Prospective Calculation Methodology

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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 lump sum will be added in the same way for any interim adjustments that occur prior to the next annual recertification.

If amortizing the payment over one year will cause the family to pay more than 50 percent of the family's adjusted income (before the lump sum was added) for TTP, the HCHC and family may enter into a Payment Agreement, with the approval of the Chief of Housing Choice Voucher & Public Housing Programs, for the balance of the amount over the 50 percent calculation. The beginning date for this Payment Agreement will start at the next annual reexamination of income.

Retroactive Calculation Methodology

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

At the HCHC's option, the PHA may enter into a Payment Agreement with the family. The amount owed by the family is a collectible debt even if the family becomes unassisted.

- **Attorney Fees**

The family's attorney 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.

I. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS [24 CFR 5.603(d)]

Contributions to company retirement/pension funds are handled as follows:

- While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.
- After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

J. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE [24 CFR 5.603(d)(3)]

HCHC must count assets disposed of for less than fair market value during the two years preceding certification or reexamination. The HCHC will count the difference between the market value and the actual payment received in calculating total assets.

Assets disposed of as a result of foreclosure or bankruptcy are not considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation are not considered to be assets disposed of for less than fair market value.

The PHA's minimum threshold for counting assets disposed of for less than Fair Market value is \$1,000. If the total value of assets disposed of within a one-year period is less than \$1,000, they will not be considered an asset.

K. CHILD CARE EXPENSES [24 CFR 5.603]

Child-care expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time, ~~or to actively seek employment.~~

In the case of a child attending private school, only before/after-hours care can be counted as child-care expenses.

Child-care expenses cannot be allowed as a deduction if there is an adult household member capable of caring for the child who can provide the child-care. Examples of those adult members who would be considered *unable* to care for the child include:

- The abuser in a documented child abuse situation, or
- A person with disabilities or older person unable to take care of a small child, as verified by a reliable knowledgeable source.

The HCHC reserves the right to determine what constitutes reasonable child care expenses based on surveys of child care providers and/or applicable allowances of the local Department of Social Services.

Allowability of deductions for child-care expenses is based on the following guidelines:

Child care to work: The maximum child care expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

Child care for school: The number of hours claimed for child care may not exceed the number of hours the family member is attending school, including reasonable travel time to and from school.

The HCHC will request an audit of household expenses when Child Care Expenses exceed 40% of adjusted gross household income.

L. MEDICAL EXPENSES [24 CFR 5.609(a)(2), 5.603]

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.

Nonprescription medicines must be doctor-recommended in order to be considered a medical expense.

Nonprescription medicines will be counted toward medical expenses for families who qualify if the family furnishes legible receipts.

Accupressure, accupuncture and related herbal medicines, and chiropractic services will be considered allowable medical expenses.

M. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.520]

Applicability

Pro-ration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

N. REDUCTION IN BENEFITS

See Chapter 14 Recertifications – Annual and Interim Examinations on how to handle income changes resulting from welfare program requirements.

**O. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS
[24 CFR 982.153, 982.517]**

The same Utility Allowance Schedule is used for all tenant-based programs, however a different Project Based Schedule may be utilized if the HCHC determines that the applicable allowances are not sufficient to cover utility costs in a particular development.

The utility allowance is intended to cover the cost of utilities not included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are not based on an individual family's actual energy consumption.

The HCHC's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards.

The HCHC may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.

The HCHC must classify utilities in the utility allowance schedule according to the following general categories: space heating, air conditioning, cooking, water heating, water, sewer, trash collection; other electric, refrigerator (for tenant supplied refrigerator), range (cost of tenant-supplied range); and other specified services.

An allowance for tenant-paid air conditioning will be provided in those cases where the majority of housing units in the market have central air conditioning or are wired for tenant installed air conditioners [24 CFR 982.517].

The HCHC will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next reexamination.

The approved utility allowance schedule is given to families along with their Voucher. The utility allowance is based on the lesser of the actual unit size selected or the number of bedrooms listed on the Housing Voucher.

Where the calculation on the HUD 50058 results in a utility reimbursement payment due the family, the HCHC will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the tenant.

CHAPTER 9 - VERIFICATION PROCEDURES
[24 CFR Part 5, Subparts B, D, E and F; 982.108]

INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment/Family Share be verified by the PHA. PHA staff will obtain electronic verification of income from independent sources whenever possible and will document files accordingly whenever third party verifications are not possible; showing full utilization of the HUD third party verification process.

However, applicants and program participants must provide true and complete information to the PHA whenever information is requested. The PHA's verification requirements are designed to maintain program integrity. This Chapter explains the PHA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition.

The PHA will obtain proper authorization (as is permitted) from the family before requesting information from independent sources.

A. METHODS OF VERIFICATION AND TIME ALLOWED [24 CFR 982.516]

The HCHC will verify information using the methods of verification acceptable to HUD in the following order:

1. Upfront Income Verification through HUD's Enterprise Income Verification system or other electronic system (e.g., The Work Number);
2. Pay stubs (originals must be presented before copies made);
3. Third-Party Written;
4. Third-Party Oral; then
5. Certification/Self-Declaration

The HCHC will allow fourteen days for return of third-party verifications and fourteen days to obtain other types of verifications before going to the next method. The PHA will document the file as to why third party written verification was not used.

For applicants, verifications may not be more than 60 days old at the time of voucher issuance. For participants, they are valid for up to 180 days from effective date of the annual or interim change.

Upfront Income Verification

The verification of income, before or during a family re-examination, through an independent source that systemically and uniformly maintains income information in a computerized form for a large number of individuals.

The EIV data is used to validate client reported income and supplement client provided documents. When the client disputes the EIV data, the PHA must request written third party verification.

Acceptable Verification:

- EIV plus current client provided documents or
- EIV plus current client provided documents plus written third-party verification.

Projecting Annual Income through EIV

When EIV data is not substantially different than client-reported income:

- If EIV data is no more than \$1,000 less than client reported income, use client provided documents to calculate anticipated annual income.
- If EIV data is not more than \$1,000 greater than client reported income, use EIV data to calculate anticipated annual income, unless client can provide the PHA with acceptable documentation to verify a change in circumstances.

When EIV data is substantially different than client reported income the PHA must request written third-party verification from the discrepant income source.

Third-Party Written Verification

Third-party verification is used to verify information directly with the source. Third-party written verification forms will be sent and accepted via first class mail, email and fax. The family will be required to sign an authorization for the information source to release the specified information. Verifications received electronically directly from the source are considered third party written verifications.

The HCHC will accept verifications in the form of original computer printouts delivered by the family from the following agencies:

- Social Security Administration
- Veterans Administration
- Welfare Assistance
- Unemployment Compensation Board
- City or County Courts

Third-Party Oral Verification

Oral third-party verification will be used when written third party verification is delayed or not possible. When third-party oral verification is used, staff will be required to complete a Certification of Document Viewed or Person Contacted form, noting with whom they spoke, the date of the conversation, and the facts provided. The PHA must originate the call.

Review of Documents

In the event that third-party written or oral verification is unavailable, or the information has not been verified by the third party within two weeks, the PHA will annotate the file accordingly and utilize documents provided by the family as the primary source if the documents provide complete information.

All such documents, excluding government checks, will be photocopied and retained in the applicant file. In cases where documents are viewed which cannot be photocopied, staff will document accordingly and initiate the third party verification process.

The HCHC will accept the following documents from the family provided that the document is such that tampering would be easily noted:

- Printed wage stubs;
- Computer print-outs from the employer;
- Signed letters that can be confirmed by phone);
- Faxed or email documents that can confirmed by phone; and
- Other documents noted in this Chapter as acceptable verification.

The HCHC will accept photocopies after review of the original documents, however, if third-party verification is received after copies of the original documents have been accepted as provisional verification, and there is a discrepancy, the HCHC will utilize the third party verification.

The HCHC will not delay the processing of an application beyond 14 days because a third party information provider does not return the verification in a timely manner.

Self-Certification/Self-Declaration

When verification cannot be made by third-party verification or review of documents, families will be required to complete a self-certification.

B. RELEASE OF INFORMATION [24 CFR 5.230]

Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form. In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information/Privacy Act Notice.

Each member requested to consent to the release of specific information will be provided with a copy of the appropriate forms for their review and signature upon request.

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information and to sign consent forms requested by the HCHC or HUD.

C. COMPUTER MATCHING

Where allowed by HUD and/or other State or local agencies, computer matching will be done. The HCHC will utilize the HUD established computer-based Enterprise Income Verification (EIV) system to obtain all Social Security benefits history, tenant income discrepancy reports from the Social Security Administration and Health and Human Services wage data.

When computer matching results in a discrepancy with information in HCHC records, the PHA will follow up with the family and verification sources to resolve the discrepancy. If the family has unreported or underreported income, the HCHC will follow the procedures in the Program Integrity Addendum of the Administrative Plan.

D. ITEMS TO BE VERIFIED [24 CFR 982.516]

Information about the family that must be verified includes, but is not limited to:

- All income not specifically excluded by the regulations;
- Full-time student status including High School students who are 18 or over;
- Current assets including assets disposed of for less than fair market value in preceding two years;
- Child-care expense where it allows an adult family member to be employed or to further his/her education;
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled;
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an adult family member to be employed;
- Disability for determination of preferences, allowances or deductions;
- U.S. citizenship/eligible immigrant status;
- Social Security Numbers for all family members;
- "Preference" status; and
- Familial/Marital status when needed for head or spouse definition.

Verification of Reduction in Benefits for Noncompliance

The HCHC will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance *before* denying the family's request for rent reduction.

E. VERIFICATION OF INCOME [24 CFR 982.516]

This section defines the methods the PHA will use to verify various types of income.

Employment Income

Verification forms request the employer to specify the:

- Dates of employment;

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- Amount and frequency of pay;
- Date of the last pay increase;
- Likelihood of change of employment status and effective date of any known salary increase during the next 12 months;
- Year to date earnings; and
- Estimated income from overtime, tips, bonus pay expected during next 12 months.

Acceptable methods of verification include, in this order:

1. Check stubs or earning statements, which indicate the employee's gross pay, frequency of pay or year to date earnings. A minimum of 3 pay stubs will be required, unless the employee recently started employment and has not yet received 3 pay stubs. The initial pay will be disregarded if the first week of employment is a partial week. If additional pay information is submitted, the Commission will make an effort to average up to 6 months of employment information unless year to date information is available for averaging. The income from pay stubs will be utilized unless the year-to-date earnings exceed the pay stubs by \$1,000.00 or more (unless the family can demonstrate that hours have been permanently reduced).
2. Employment verification form completed by the employer
3. W-2 forms plus income tax return forms.
4. Self-certification or income tax returns signed by the family may be used for verifying self-employment income, or income from tips and other gratuities.

Applicants and program participants may be requested to sign an authorization for release of information from the Internal Revenue Service for further verification of income. In cases where there are questions about the validity of information provided by the family, HCHC will require the most recent federal income tax statements. Where doubt regarding income exists, a referral to IRS for confirmation will be made on a case-by-case basis.

Social Security, Pensions, Supplementary Security Income (SSI), Disability Income

Acceptable methods of verification include, in this order:

1. Computer report electronically obtained or in hard copy.
2. Award or benefit notification letters prepared and signed by the providing agency.

Unemployment Compensation

Acceptable methods of verification include, in this order:

1. Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.
2. Verification form completed by the unemployment compensation agency.
3. Payment stubs.

Welfare Payments or General Assistance

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Acceptable methods of verification include, in this order:

1. Computer-generated Notice of Action or list of recipients from Welfare Department.
2. PHA verification form completed by payment provider.
3. Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months.

Alimony or Child Support Payments

Acceptable methods of verification include, in this order:

1. Computer generated payment history obtained online by PHA.
2. PHA verification form completed by Child Support Agency.
3. Copy of a separation or settlement agreement or a divorce decree stating amounts and types of support and payment schedules.
4. A notarized letter from the person paying the support.
5. Copy of latest check and/or payment stubs from Court Trustee.
6. 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 payments are irregular, the family must provide one or more of the following:

- A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules;
- A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement;
- A notarized affidavit from the family indicating the amount(s) received;
- A welfare notice of action showing amounts received by the welfare agency for child support; and
- A written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

In order to verify the net income from a business, the PHA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months. Acceptable methods of verification include:

- IRS Form 1040, including:
 - Schedule C (Small Business);
 - Schedule E (Rental Property Income); and
 - Schedule F (Farm Income).
- 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.
- Audited or un-audited financial statement(s) of the business.

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- Credit report or loan application.
- Documents such as manifests, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior 180 days (or lesser period if not in business for 90 days) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
- Family's self-certification as to net income realized from the business during previous years.

Child Care Business

If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), HCHC will require that the applicant/participant to complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person. If the family has filed a tax return, the family will be required to provide it.

The HCHC will conduct interim reevaluations every year and require the participant to provide a log with the information about customers and income. If childcare services were terminated, a third party verification will be sent to the parent whose child was cared for.

Recurring Gifts

The family must furnish a self-certification that contains the following information:

- The person who provides the gifts;
- The value of the gifts;
- The regularity (dates) of the gifts; and
- The purpose of the gifts.

A gift is considered to recurring if received for 90 days or one quarter of the year.

Zero Income Status

Families claiming to have no income will be required to execute verification forms every ninety days to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household, and will be required to appear at the office monthly to review household income and expenses

The HCHC will request information from the Department of Labor, Licensing and Regulation and will run a credit report if information is received that indicates the family has an unreported income source.

Full-time Student Status

Only the first \$480 of the earned income of full time students (college or otherwise), other than head, co-head, or spouse, will be counted towards family income.

Financial aid, scholarships and grants received by full time students is not counted towards family income. Verification of full time student status includes:

- Written verification from the registrar's office or other school official.
- School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

F. INCOME FROM ASSETS [24 CFR 982.516]

Savings Account Interest Income and Dividends

Acceptable methods of verification include, in this order:

1. Account statements, passbooks, certificates of deposit, or PHA verification forms completed by the financial institution.
2. Broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
3. IRS Form 1099 from the financial institution provided that the PHA must adjust the information to project earnings expected for the next 12 months.

PIH Notice 2013-03

In conjunction with PIH Notice 2013-03, the Howard County Housing Commission will allow families to self-certify net family assets less than \$5,000.00 and the amount of income expected to be received from those assets. ~~This provision will expire effective March 31, 2014, unless it is extended.~~ As this provision was permanently extended by PIH Notice 2016-05 the Commission will continue to allow the self-certification of assets under \$5,000.00.

Interest Income from Mortgages or Similar Arrangements

Acceptable methods of verification include, in this order:

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months (a copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.).
2. Amortization schedule showing interest for the 12 months following the effective date of the certification or recertification.

Net Rental Income from Property Owned by Family

Acceptable methods of verification include, in this order:

1. IRS Form 1040 with Schedule E (Rental Income).
2. A copy of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements,

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- insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
4. Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

G. VERIFICATION OF ASSETS

Family Assets

The HCHC will require the information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash).

Acceptable verification may include any of the following:

- Verification forms, letters, or documents from a financial institution or broker.
- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.
- Real estate taxes statements if the approximate current market value can be deduced from assessment.
- Financial statements for business assets.
- Copies of closing documents showing the selling price and the distribution of the sales proceeds.
- Appraisals of personal property held as an investment.
- Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification

For all Certifications and Recertifications, the PHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or recertification.

If the family certifies that they have disposed of assets for less than fair market value, verification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

[24 CFR 982.516]

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Child Care Expenses

Written verification from the person who receives the payments is required. If the child care provider is ~~unlicensed~~an individual, s/he must provide a statement of the amount they are charging the family for their services. Additionally, if child care expenses exceed 50% of the family's gross income the family will be required to must provide a minimum of three months of cancelled checks or cancelled cashier money orders verifying the child care costs and/or to provide a copy of their Income Tax Form confirming the amount of Child Care Payments Claimed. If the family claims that payments are made in cash the child care allowance will be allowed for a period of 3 months and verification in the form of a cancelled check or money order will be required in order for the allowance to continue.

Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Medical Expenses

Families, who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one or more of the methods listed below:

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
- Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next twelve months. A computer printout will be accepted.

For attendant care:

- A reliable, knowledgeable medical professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.
- Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.
- Receipts, canceled checks, or pay stubs that verify medical costs and insurance

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expenses likely to be incurred in the next twelve months.

- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next twelve months.
- Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. PHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.

The HCHC will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities [24 CFR 5.611(c)]

In All Cases:

- Written certification from a reliable, knowledgeable medical professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.
- Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

- Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.
- Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
- In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

I. VERIFYING NON-FINANCIAL FACTORS [24 CFR 982.153(b)(15)]

Verification of Legal Identity

In order to prevent program abuse, the HCHC will require applicants to furnish verification of legal identity for all family members. The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

- Certificate of Birth, naturalization papers

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- Current, valid Driver's license
- U.S. military discharge (DD 214)
- U.S. passport
- Voter's registration
- Company/agency Identification Card
- Department of Motor Vehicles Identification Card
- Hospital records

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

- Birth Certificate or Certificate/Verification of Birth
- Adoption papers
- Custody agreement
- Health and Human Services ID
- School records

Verification of Marital Status

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer. Verification of a separation may be a copy of court-ordered maintenance or other records. Verification of marriage status is a marriage certificate.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification. The following verifications will always be required if applicable:

- Verification of relationship:
 - Official identification showing names
 - Birth Certificate or Certificate/Verification of Birth
 - Baptismal certificates
- Verification of guardianship is:
 - Court-ordered assignment
 - Affidavit of parent
 - Verification from social services agency
 - School records

Verification of Permanent Absence of Family Member

If an adult member who was formerly a member of the household is reported permanently absent by the family, HCHC will consider any of the following as verification:

- Husband or wife institutes divorce action.
- Husband or wife institutes legal separation.

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- Order of protection/restraining order obtained by one family member against another.
- Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.
- Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.
- If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.

Verification of Change in Family Composition

The HCHC may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or Department of Motor Vehicle records, and other sources.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)) or verified by a reliable, knowledgeable medical professional, using the HUD language as the verification format.

Verification of Citizenship/Eligible Immigrant Status [24 CFR 5.508, 5.510, 5.512, 5.514]

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contest their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Family members must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the PHA hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

The PHA will require citizens to provide documentation of citizenship. Acceptable documentation will include at least one of the following original documents:

- United States birth certificate
- United States passport
- Resident alien/registration card
- Other appropriate documentation as determined by the PHA

Eligible Immigrants who were Participants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the PHA must request within 10 days that the INS conduct a manual search.

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide. If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. The HCHC will not provide assistance to any family prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the family.

The HCHC will verify the U.S. citizenship/eligible immigration status of all participants no later than the date of the family's first annual reexamination following the enactment of the Quality Housing and Work Responsibility Act of 1998. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in.

Once verification has been completed for any covered program, it need not be repeated except in the case of port-in families, if the initial PHA does not supply the documents, the HCHC must conduct the determination.

Extensions of Time to Provide Documents

The PHA will grant an extension of 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register:

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)

- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

The HCHC will verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the waiting list.

If the HCHC determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated for 36 months, unless the ineligible individual has already been considered in prorating the family's assistance.

Verification of Social Security Numbers [24 CFR 5.216]

Social security numbers must be provided as a condition of eligibility for all family members if they have been issued a number. Verification of Social Security numbers will be done through a Social Security Card issued by the Social Security Administration. If a family member cannot produce a Social Security Card, only the documents listed below showing a Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

- A driver's license
- Identification card issued by a Federal, State or local agency
- Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)
- An identification card issued by an employer or trade union
- An identification card issued by a medical insurance company
- Earnings statements or payroll stubs
- Bank Statements
- IRS Form 1099
- Benefit award letters from government agencies
- Retirement benefit letter
- Life insurance policies
- Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records
- Verification of benefits or Social Security Number from Social Security Administration

New family members will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute

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information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the HCHC.

If an applicant or participant is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by the HCHC. The applicant/participant or family member will have an additional thirty days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's assistance will be terminated.

In the case of an individual at least 62 years of age, the HCHC may grant an extension for an additional 60 days to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's assistance will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

Medical Need for Larger Unit

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable medical professional.

J. VERIFICATION OF WAITING LIST PREFERENCES [24 CFR 5.410-5.430]

Residency Preference

Applicants who live, work or have a bona fide offer to work in Howard County on the date of notice that they have reached the top of the waiting list will receive a preference over non-residents.

Involuntarily Displacement

Acceptable documentation includes the following:

- Certification from a unit of government concerning displacement due to disaster.
- Certification from a unit of government concerning displacement due to code enforcement or public improvement or development.
- Certification from an owner concerning displacement due to owner action.
- Certification from local police, social service agency, court, clergy-person, physician, or public or private shelter, counseling facility concerning displacement due to domestic violence.

Substandard Housing

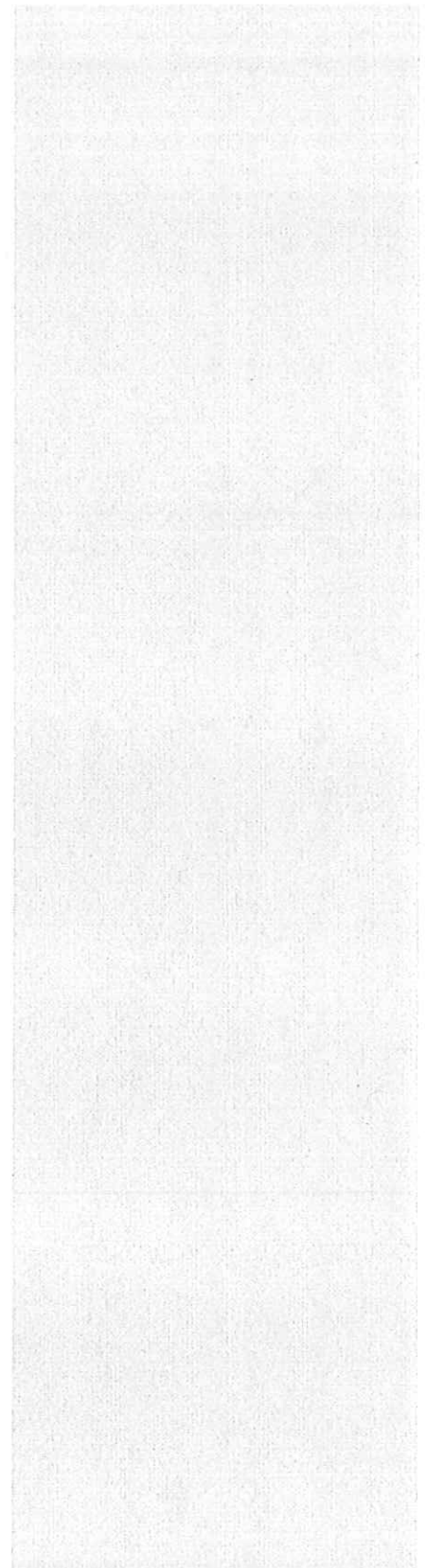
Includes certification from a unit of government that unit's condition meets the definition of substandard. For "Homeless Families," verification is certification of this status from a public or private facility providing shelter to the family, or from local police.

Rent Hardship

Acceptable documentation includes the following:

- A landlord tenant lease; and
- Cancelled checks or money orders

Reserved



CHAPTER 12 - HOUSING QUALITY STANDARDS AND INSPECTIONS
[24 CFR 982.401]

INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum unit physical condition standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building exterior as well as the unit (building interior). Newly leased units must pass a HQS inspection before a HAP Contract can be executed. Occupied units must pass a HQS inspection to continue the existing HAP Contract. Additional inspections will be conducted as needed and at the request of the program participant and/or landlord.

HQS inspections are performed by trained Housing Choice Voucher Program Inspectors or third party contractors using HUD Form 52580A. Inspections are normally conducted on business days, during normal hours of operation. Inspection results are maintained in accordance with HCHC record retention policy. HCHC will also perform Quality Control Inspections on the number of units required for sampling by SEMAP annually and to assure consistent enforcement of HQS standards.

This Chapter describes the HCHC's procedures for performing HQS and other types of inspections, and HCHC standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and HCHC requirements. (See the additions to HQS listed under "Acceptability Criteria and Exceptions to HQS" later in this chapter.)

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

HCHC has adopted the following local requirements of acceptability in addition to those mandated by the HUD regulations for Housing Quality Standards:

Walls:

- In areas where plaster or drywall is sagging, severely cracked or otherwise damaged, it must be repaired or replaced.
- Any exterior or interior surfaces with peeling or chipping paint must be scraped and painted with two coats of unleaded paint or other suitable material.

Windows:

- All windows sashes must be in good condition.
- Window screens (if applicable) must be in good condition.

Doors:

- All Exterior doors must be weather tight, lockable, have no holes and have all trim intact.

Floors:

- Any loose or warped boards must be secured and made level.
- All floors must be in a finished state (no plywood).

Sinks:

- All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.
- All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

Security:

- If window security bars or security screens are present on emergency exit windows they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

Bedrooms:

- Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability.
- Minimum bedroom ceiling height is 7'6" or defined by local code, whichever is greater.

Modifications:

- Modifications or adaptations to a unit due to a disability must meet all applicable HQS and building codes.

Utilities:

- All utilities must be in service prior to the inspection. If the utilities are not in service at the time of inspection, the Inspector will notify the tenant or owner (whomever is responsible for the utilities according to the RFTA) to have the utilities turned on. The Inspector will schedule a re-inspection.
- If the tenant is responsible for supplying the stove and/or the refrigerator, the HCHC will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS. The family must then certify that the appliances are in the unit and working. The HCHC may conduct a re-inspection to verify.

Additional Guidelines:

- In every dwelling unit of two or more rooms, every room occupied for sleeping purposes by one occupant must contain at least seventy square feet of habitable space, and every room occupied for sleeping purposes by more than one occupant must contain at least fifty square feet of habitable space for each occupant.
- At least one-half of the floor area of every habitable room must have a ceiling height of at least seven feet.
- Basement space must not be used as habitable space unless, the above conditions are met, and the floor and walls are impervious to leakage of underground and surface runoff water and insulated against dampness; and the window shall be at least five square feet in net clear opening. It must be operable without use of a tool, with the minimum net clear opening height of twenty-two inches and a minimum net clear opening of twenty inches, with the bottom of the opening not more than forty-four inches above the floor. The horizontal dimensions of the window well shall provide a minimum net clear area of nine square feet with a minimum horizontal projection and width of 36 inches.
- The access to any sleeping room must not pass through another sleeping room.

The purpose of the housing inspection is to determine if the above listed items meet HQS standards. Any areas of the home found in violations of these standards must be repaired timely (time period specified by HCHC). Extensions for repair items not required by HQS can be granted (e.g. modifications to the unit) if agreed to by the tenant and landlord. HCHC will allow execution of or continue the HAP Contract if the unit meets all requirements and the modifications do not affect the livability of the unit.

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards. The HCHC will not promote any additional acceptability criteria which is likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

There are ~~six~~seven types of inspections the HCHC will perform:

1. Initial/Move-in: Conducted upon receipt of Request for Tenancy Approval.
2. Annual: Must be conducted within twelve months of the last annual inspection only if the unit failed inspection within the past 2 years, or if the last full inspection was an initial inspection.
3. Bi-Annual: Must be conducted within twenty-four months of last annual inspection.
34. Move-Out/Vacate (~~for pre 10/2/95 contracts where there could be damage claims to determine if there are excessive tenant damages that would result in program termination~~)
45. Special/Complaint: At request of owner, family or an agency or third-party.
56. Quality Control
67. Re-inspection

B. INITIAL HQS INSPECTION [24 CFR 982.401(a)]

Timely Initial HQS Inspection

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The HCHC will inspect the unit, determine whether the unit satisfies the HQS and notify the family and owner of the determination within 15 days unless the HCHC determines that it is unable to do so in the stated timeframe, or if the unit has not been made available by the landlord for inspection in which case the file will be appropriately documented.

The HCHC will make every reasonable effort to conduct initial HQS inspections for the family and owner in a manner that is time efficient and indicative of good customer service.

The HCHC will periodically review the average time required for a family and owner to have a unit inspected from the time the RFTA is submitted by the family and owner to the HCHC.

If the HCHC determines after a periodic review of files that the average time for a family and owner to obtain an initial inspection is longer than 15 days, the HCHC will review staffing needs relevant to HQS inspection.

The Initial Inspection will be conducted to:

- Determine if the unit and property meet the HQS, as defined in this Plan.
- Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.
- Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial HQS inspection, the owner will be advised to notify the HCHC once repairs are completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as Fail. At the Inspector's discretion, additional time may be allowed to correct "Fail" items depending on the amount and complexity of work to be done.

The owner will be allowed up to two re-inspections for repair work to be completed. If the re-inspection does not result in a "Pass" rating, a new RFTA must be submitted for inspection of a new unit.

Families will not be adversely impacted by the failure of the unit to pass the initial HQS inspection. The remaining time on the voucher will be suspended from the date of the HCHC's receipt of the RFTA for a maximum of 30 days.

C. ANNUAL HQS INSPECTIONS [24 CFR 982.405(a)]

The HCHC conducts an inspection in accordance with HQS at least annually. The inspections are scheduled so that the inspections are conducted no less than annually, as required by SEMAP. Special inspections may be scheduled between anniversary dates.

HQS deficiencies that cause a unit to fail must be corrected by the landlord unless it is a fail for which the tenant is responsible.

The family must allow the HCHC to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.51 (d)]. Inspections will be conducted Monday – Friday, between 7 a.m. and 5 p.m., unless special arrangements have otherwise been agreed upon by the inspector and tenant and approved by the Chief of Housing Choice Voucher and Public Housing Programs.

The HCHC will notify the family in writing at least 14 days prior to the initial inspection notice.

Inspection: The family and the owner are notified of the date and time of the inspection appointment by mail. If the family wants to participate and is unable to be present, they must reschedule the appointment.

If the family does not contact the HCHC to reschedule the inspection, or if the family misses two inspection appointments, the HCHC will consider the family to have violated a Family Obligation and their assistance will be terminated in accordance with the termination procedures in the Plan. The family will be allowed to miss one appointment without violating a family obligation.

Re-inspection: The family and owner are provided a notice of the inspection appointment by mail. If the family is not at home for the re-inspection appointment, a card will be left at the unit. The appointment letter contains a warning of abatement and a notice of the owner's responsibility.

The family is also notified that it is a Family Obligation to allow the HCHC to inspect the unit. If the family was responsible for a breach of HQS identified in the "Denial or Termination of Assistance" chapter of this Administrative Plan, they will be advised of their responsibility to correct.

Time Standards for Repairs

Emergency items which endanger the family's health or safety must be corrected by the owner within 24 hours of notification (see Emergency Repair Items section). For non-emergency items, repairs must be made within thirty days. For major repairs, the Housing Inspections Supervisor may approve an extension beyond thirty days.

Rent Increases

Rent increases will not be approved if the unit is in a failed condition.

D. MOVE OUT/VACATE

A move out inspection will be performed only at the landlord's request if claim is to be submitted for contracts effective before 10/2/95. For contracts after 10/2/95 the owner must

request a move out inspection before the family vacates the unit and submit proof of damage claim that exceeds the collect security deposit.

E. SPECIAL/COMPLAINT INSPECTIONS [24 CFR 982.405(c)]

If at any time the family or owner notifies the HCHC that the unit does not meet HQS, the HCHC will conduct an inspection.

The HCHC may also conduct a special inspection based on information from third parties such as neighbors or public officials.

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

If the annual inspection date is within 60 days of a special inspection, and as long as all items are inspected that are included in an annual inspection, the special inspection will be categorized, as annual and all annual procedures will be followed.

F. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b)]

Quality Control inspections on the number of units required by SEMAP will be conducted by the Chief of the Housing Choice Voucher Program, or his designee, or by a third party contractor. The purpose of Quality Control inspections is to ascertain that each inspector is conducting accurate and complete inspections, and to ensure that there is consistency among inspectors in the application of HQS.

The sampling of files will include recently completed inspections (within the prior 90 days), a cross-section of neighborhoods, and a cross-section of inspectors.

G. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS [24 CFR 982.401 (a)]

The HCHC adheres to the acceptability criteria in the program regulations. The HCHC amends the acceptability criteria to require that an owner participating in the program comply with local government rental licensing requirements. The HCHC will allow an owner adequate time to obtain the required license(s). However, the HCHC may hold HAP from the owner under contract when the HCHC is notified by local government that the owner has failed to obtain the appropriate rental license(s).

Modifications: Modifications or adaptations to a unit due to a disability must meet all applicable HQS and building codes.

Extension for repair items not required by HQS will be granted for modifications/adaptations to the unit if agreed to by the tenant and landlord. HCHC will allow execution of the HAP contract if unit meets all requirements and the modifications do not affect the livability of the unit.

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H. EMERGENCY REPAIR ITEMS [24 CFR 982.401(a)]

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the Inspector:

- Lack of security for the unit
- Waterlogged ceiling in imminent danger of falling
- Major plumbing leaks or flooding
- Natural gas leak or fumes
- Electrical problem which could result in shock or fire
- No heat when outside temperature is below 10 degrees Fahrenheit and temperature inside unit is below 68 degrees Fahrenheit.
- Utilities not in service
- No running hot water
- Broken glass where someone could be injured
- Obstacle which prevents tenant's entrance or exit
- Lack of functioning toilet
- Non working smoke detector or missing smoke detector as required.

The HCHC may give a short extension (not more than 48 additional hours) whenever the responsible party cannot be notified or it is impossible to affect the repair within the 24-hour period.

In those cases where there is leaking gas or potential of fire or other threat to public safety, and the responsible party cannot be notified or it is impossible to make the repair, proper authorities will be notified by the HCHC.

If the emergency repair item(s) are not corrected in the time period required by the HCHC, and the owner is responsible, the housing assistance payment will be abated and the HAP contract will be terminated.

If the emergency repair item(s) are not corrected in the time period required by the HCHC, and it is an HQS breach that is a family obligation, the HCHC will terminate the assistance to the family.

Smoke Detectors

Inoperable smoke detectors are a serious health threat and will be treated by the HCHC as an emergency (24-hour) fail item.

The HCHC will issue a written warning to any family determined to have purposely
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disconnected the unit's smoke detector. Warning will state that deliberate disconnection of the unit's smoke detector is a health and fire hazard and is considered a violation of the HQS.

I. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS)
[24CFR 982.405, 982.453]

When it has been determined that a unit fails to meet HQS, and the owner is responsible for completing the necessary repair(s) in the time period specified by the HCHC, the assistance payment to the owner will be abated.

Violation & Abatement

A Notice of Violation will be sent to the owner, effective from the day after the date of the failed inspection. The notice is generally for 30 days, depending on the nature of the repair(s) needed.

The HCHC will inspect failed units within five (5) working days of the owner's notification that the work has been completed. If the owner fails to make the required repairs to the unit prior to the deadline for repair a Notice of Abatement will be mailed to the owner within three working days of the date of reinspection.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection, however the HCHC will apply a minimum penalty of three days to encourage owners to complete repairs within the initial notice period so that PHA inspection man hours are not wasted.

The HCHC will advise owners of their responsibility to notify the tenant of when the re-inspection will take place.

No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS. The notice of abatement states that the tenant is not responsible for the HCHC's portion of rent that is abated.

Reduction of Payments

The HCHC may grant an extension in lieu of abatement, or reduce the abatement period in the following cases:

- The owner has a good history of HQS compliance.
- The failed items are minor in nature.
- There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.
- The owner makes a good faith effort to make the repairs.
- The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.
- The repairs must be delayed due to climate conditions.

- The owner is temporarily absent from his unit for a period of less than 30 days, and the violation notice arrived during that thirty day period.

The extension will be made for a period of time not to exceed 30 days. At the end of that time, at the HCHC's discretion, if the work is not completed, the HCHC will begin the abatement.

The owner's payment will not be abated as a result of a tenant's failure to honor a reinspection appointment, however a follow-up appointment will be scheduled and the owner will be notified that an owner representative must be present for the follow-up appointment.

Termination of Contract

If the owner is responsible for repairs, and the unit has been in abatement for 30 days, the owner and the tenant will be sent a HAP Contract Proposed Termination Notice. The family will also be notified to attend a Move Briefing to begin their search for a new unit. The proposed termination notice will be a 30 day notice. The family will be required to begin the process to relocate from the unit or possibly be terminated from the program. Prior to the effective date of the termination, if the repairs are not completed, the abatement will remain in effect.

If repairs are completed before the effective termination date, the termination may be rescinded by the HCHC if the tenant chooses to remain in the unit. Only one HQS inspections will be conducted after the termination notice is issued.

J. DETERMINATION OF RESPONSIBILITY [24 CFR 982.404, 982.54(d)(14)]

The Inspector will make a determination of owner or family responsibility during the inspection.

Certain HQS deficiencies are considered the responsibility of the family:

- Tenant-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; and
- "Normal wear and tear" is defined as items which could be charged against the tenant's security deposit under state law or court practice.

If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

The owner is responsible for all other HQS violations. The owner is responsible for vermin infestation even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The HCHC may terminate the family's assistance on that basis.

K. CONSEQUENCES IF FAMILY IS RESPONSIBLE [24 CFR 982.404(b)]

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the HCHC will require the family make any repair(s) or corrections within 24 hours or 30 days, as appropriate. If the repair(s) or correction(s) are not made in this time period, the HCHC will terminate assistance to the family, after providing an opportunity for an informal hearing. Extensions in these cases must be approved by the Chief of Housing Choice Voucher Program, or his designee. The owner's rent will not be abated for items that are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated and the owner will be provided with adequate notice (no less than 30 days) of the termination date.

CHAPTER 13 - PAYMENT STANDARDS & CONTRACT RENT
[24 CFR 982.505, 982.503, 982.504, 982.505]]

INTRODUCTION

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.

The HCHC will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the HCHC'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 HCHC's procedures for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM

The Rent to Owner is limited only by rent reasonableness. The HCHC 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 if gross rent exceeds the payment standard.

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

B. MAKING PAYMENTS TO OWNERS [24 CFR 982.451]

Once the HAP Contract is executed, the HCHC 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 as participants are recertified. Payments are disbursed semi-monthly to owners by the HCHC Payables staff. The primary HAP process is completed to make payments to owners the first week of each month. The second HAP process is completed on an "as needed" basis to make mid-month payments to

owners initiating new HAP contracts or for reasons approved by the Chief of Housing Choice Voucher and Public Housing Programs.

If paid by check, and the payment is mailed but not received by the landlord, the check will not be replaced until a written request has been received from the payee and a stop payment has been put on the check. As all landlords have been offered the option of Direct Deposit all checks that are mailed and require replacement will be reissued at the expense of the landlord at the current replacement rate of the banking institution.

Excess Payments

The total of rent paid by the tenant plus the HCHC housing assistance payment to the owner may not be more than the contract rent to the owner. The owner must immediately return any excess payment to the HCHC. Owners who do not return excess payments will be subject to penalties as outlined in Chapter 20 Owner or Family Debts to the HCHC.

Late Payments to Owners

The HCHC must make housing assistance payments to the owner promptly and in accordance with the HAP contract. The HCHC will pay, upon written request of the owner, up to a five percent late fee to the owner, as determined by the lease, for housing assistance payments that are not mailed the first full business week of the month. Proof of mailing will be the date the HAP Register was run.

The HCHC will not be obligated to pay any late payment penalty if HUD determines that late payment is due to factors beyond the HCHC's control, such as a delay in the receipt of program funds from HUD. The HCHC will use administrative fee income or the administrative fee reserve as its only source for late payment penalty.

The HCHC will not use any program funds for the payment of late fee penalties to the owner.

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]

The HCHC contracts with an independent real estate research firm to complete an annual evaluation of the entire Howard County rental market. This data is used as a tool for determining rent reasonableness.

HCHC must ensure that rents charged by owners to Housing Choice Voucher program participants are reasonable. This determination involves two comparisons. First, HCHC must compare rent for the unit presented to rents for similar unassisted units in the marketplace. Second, HCHC must compare the rent to rents for similar units on the premises (982.507).

HCHC must determine rent reasonableness in all of the following four instances:

- Before entering into a HAP contract. The HCHC must not execute a HAP contract until it

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has documented that the rent charged is reasonable.

- Before any increase in the rent to owner. Before approving a rent increase, the HCHC must determine and document whether the proposed rent is reasonable compared to similar units in the marketplace and not higher than those paid by unassisted tenants.
- If there is a five percent decrease in the published FMR (for the unit size rented by the family) in effect 60 days before the contract anniversary date as compared with the FMR in effect one year before the contract anniversary date. This provision is designed to ensure that when the market goes down by a significant amount the HCHC must reexamine rent reasonableness.
- If HUD has reason to question the HCHC's system or accuracy of the determinations, it may require the HCHC to conduct rent reasonableness reviews on all or a portion of its units.

In determining comparability, the HCHC must consider the following nine elements:

1. Location;
2. Quality;
3. Size;
4. Unit type;
5. Age of unit;
6. Amenities;
7. Housing services;
8. Maintenance; and
9. Utilities the owner must provide under the lease.

HCHC will obtain data for other unassisted units through the Annual Rental Survey, internet real estate searched, newspapers, realtors, professional associations, inquiries with owners, market surveys, and other available sources.

The market areas for rent reasonableness are neighborhoods/villages. Subject units within the neighborhood will be compared to similar units within the same area. The reasonableness determination will be made in the following priority based on housing type, unit size, and location:

1. Annual Rental Survey which considers the unit location in comparison the similar unassisted units in the jurisdiction;
2. Owner Certification on the HUD form 52517; and
3. Internet real estate search, newspapers, professional associations, inquiries with owners, market surveys, and other available sources.

The owner certifies that the rent to owner is no more than the rent charged by the owner for comparable unassisted units on the premises. This certification is stated as a requirement in the contract and occurs by acceptance of each housing assistance payment.

The HCHC will document all rent reasonableness decisions and the basis for the decision. The documentation will identify who conducted the rent reasonableness determination and when.

The HCHC will complete a sample quality control review of the reasonableness determinations.

Rent Increase Effective Dates

Due to recent changes in effective dates for rent increases to include dates other than the 1st of the month, it will be the policy of the HCHC to make rent increases for effective dates on or before the 10th of the month retroactive to the 1st of the month. Any effective dates after the 10th of the month will be made effective the first of the following month.

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

The Payment Standard is used to calculate the housing assistance payment for a family. In accordance with HUD regulation, and at the HCHC's discretion, the Voucher Payment Standard amount is set by the HCHC between 90 and 110 percent of the HUD published FMR. This is considered the basic range. The HCHC reviews the appropriateness of the Payment Standard annually when the FMR is published. In determining whether a change is needed, the HCHC will ensure that the Payment Standard is always within the range of 90 to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD. The Commission will review Payment Standard Levels annually when Fair Market Rents are published to determine if adequate reserves exist to increase subsidy levels or if further reductions are necessary in order to maintain adequate HAP levels and adequate program reserves.

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

The HCHC 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.

PIH Notice 2013-03

The Housing Commission will utilize the provisions of PIH Notice 2013-03 that allow the Commission to set a payment standard up to 120 percent of the Fair Market Rent (FMR) as a reasonable accommodation for a family that includes a person with a disability. The Commission
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will maintain documentation that the unit has been determined to be rent reasonable, and that the unit has the feature(s) required to meet the needs of the person with disabilities. This provision will expire effective March 31, 2014, unless it is extended. If the notice is extended the Commission will continue to utilize its discretion to set payment standards up to 120 percent of the Fair Market Rent for families containing a person with a disability.

E. 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 HCHC will not raise Payment Standards solely to make "high end" units available to Voucher holders. The HCHC

may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

Assisted Families' Rent Burdens

The HCHC 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 percent of their annual adjusted income for rent.

If it is determined that particular unit sizes in the HCHC's jurisdiction have payment standard amounts that are creating rent burdens for families, the HCHC may modify its payment standards for those particular unit sizes if adequate funding and/or reserves are available

The HCHC may 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 HCHC's jurisdiction are paying.

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

Quality of Units Selected

The HCHC 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.

HCHC Decision Point

The HCHC will review the average percent of income that families on the program are paying for rent. If more than 40 percent of families are paying more than 30 percent of monthly adjusted income for a particular unit size, the HCHC will determine whether families are renting

units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the HCHC in this Administrative Plan.

If families are paying more than thirty percent of their income for rent due to the selection of larger bedroom size units or luxury units, the HCHC may decline to increase the payment standard. If these are not the primary factors for families paying higher rents, the HCHC will consider increasing the payment standard if adequate funding and/or reserves are available.

Rent to Owner Increases

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

Time to Locate Housing

The HCHC may consider the average time period for families to lease using a voucher. If more than twenty five percent of voucher holders are unable to locate suitable housing within the term of the voucher and HCHC determines that this is due to ten percent of rents in the jurisdiction being unaffordable for families even with the presence of a voucher, the Payment Standard may be adjusted.

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 HCHC 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 HCHC will compare the number of families who could be served under a higher Payment Standard with the number assisted under current Payment Standards.

File Documentation

A file will be retained by the HCHC 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 HCHC must use the appropriate payment standard amount established by the HCHC for the exception area in accordance with regulation 24 CFR 982.503.

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CHAPTER 14 - RECERTIFICATIONS
[24 CFR 982.516]

INTRODUCTION

In accordance with HUD requirements, the PHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given reasonable notice of rent increases. All annual activities will be coordinated in accordance with HUD regulation. It is a HUD requirement that families report all changes in household composition. This Chapter defines the HCHC's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ANNUAL ACTIVITIES [24 CFR' 982.516, 982.405]

There are three activities the HCHC must conduct on an annual basis. These activities will be coordinated whenever possible:

- Recertification of Income and Family Composition
- HQS Inspection
- Rent Increase to Owner (following HUD requirements Regular Tenancy Certificate only)

The HCHC produces a monthly listing of units under contract to ensure that timely reviews of rent to owner, housing quality, and factors related to Total Tenant Payment/Family Share can be made. Requests for rent increases and other monetary changes will be transmitted to the Chief of Housing Choice Voucher and Public Housing Programs or designee.

Reexamination of the family's income and composition must be conducted at least annually.

Annual inspections must be conducted at least annually (see Chapter 12 Housing Quality Standards & Inspections). Rent Adjustments can be requested annually (see Chapter 13 Payment Standards and Contract Rent).

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 982.516]

Families are required to be recertified at least annually. At the first interim or annual certification on or after June 19, 1995, family members must report and verify their U.S. citizenship/eligible immigrant status.

Moves Between Reexaminations

When families move to another dwelling unit before the effective date of the reexamination, the recertification date will be changed to coincide with the new move date. Income limits are not used as a test for continued eligibility at recertification.

Reexamination Notice to the Family

HCHC will schedule annual recertifications and notify the family of the date and time of appointments, via first class mail, at least 14 days prior to the actual appointment date. HCHC will maintain a reexamination tracking system and schedule all annual recertifications approximately 120 days in advance of the anniversary date.

If requested as an accommodation by a person with a disability, the HCHC will provide the notice in an accessible format. The HCHC will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities. These accommodations will be granted upon verification that they meet the need presented by the disability.

Reexamination by Mail

HCHC will schedule annual recertifications by mail every other year. All verification requirements and processes will remain the same for annual recertifications by mail.

Initial Notice

The initial recertification notice will be sent via first class mail with a required deadline of at least 15 days to provide fully executed forms, verifications and releases. The notice will advise the family of an option to recertify in person at the Housing Office by submitting a written request. If there is no response to the request for an in office interview within 15 days the tenant will be advised to contact a supervisor. If the paperwork returned by the family is incomplete the family will be sent a second notice with an additional 10 days to return any missing information. The family will be advised that if they are having problems obtaining the requested information they will need to submit a written request for additional time. If the family fails to return the information, or fails to request an extension within 10 days they will be provided a notice of program termination.

Second Notice

If there is no response to the initial notice within 15 days, a second notice will be mailed via certified mail. This notice will give an additional 10 days to respond and provide a warning notice that failure to respond will result in the termination of assistance. If there is no response to the second notice, the family will be provided with a notice of program termination. If the family responds to the second notice and provides incomplete information a third notice will be mailed giving an additional 10 days to return any missing information. The family will be

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advised that if they are having problems obtaining the requested information they will need to submit a written request for additional time. If the family fails to return the information, or fails to request an extension within 10 days they will be provided a notice of program termination.

Family Obligation to Insure Proper Mail Delivery

Since the family is required to cooperate in the scheduling of recertification and inspection activities, the family is obligated to insure an uninterrupted mail delivery system. It is considered to be a violation of family obligations if the family is unable to receive written notices from the Housing Authority for a period exceeding 10 days. If there are circumstances beyond the family's control which prevent the reinstatement of mail delivery services within a 10-day period the family must provide a certified notice to the Housing Authority (or the notice may be delivered in person provided the family obtains a receipt confirming delivery) outlining the specific problem that they are having with mail delivery and a projected time for reinstatement of delivery service. Under no circumstances should the family's mail be interrupted for a period exceeding 30 days. The notice must also contain at least two alternative options for the family to be contacted by telephone and/or e-mail. The family must insure that the telephone number(s) provided are capable of accepting messages, and the family must insure that they will have access to retrieve the message in a timely manner or that any physical messages are left at a number with a responsible adult who will insure that the message is delivered in a timely manner.

Moves

When a family moves between Annual Reexaminations they will be appear in person in the office to complete paperwork and a move briefing. Afterwards the family will be recertified on a schedule that coincides with other families that are being recertified during the month of their move.

Completion of Annual Recertification

The HCHC will have all recertifications for families completed before the anniversary date. This includes notifying the family of any changes in rent at least 25 days by the first of the month preceding the effective date of the change in family rent.

Persons with Disabilities

Persons with disabilities who are unable to come to the HCHC's office will be granted an accommodation by conducting the interview via phone, in the participant's home or by mail upon verification that the accommodation requested meets the need presented by the disability.

Collection of Information [24 CFR 982.516(f)]

The HCHC has established appropriate recertification procedures necessary to ensure that the income data provided by families is complete and accurate. The HCHC will require the family

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to complete a Personal Declaration Form, all other required HUD required forms and other HCHC forms during the recertification interview.

Requirements to Attend

At least one or all of the following family members will be required to attend the recertification interview when the interview is scheduled in the Commission Office:

- The head of household;
- The spouse/co-head; and
- Other adult members.

If the head of household is unable to attend the interview the spouse/co-head may recertify for the family.

Failure to Respond to Notification to Recertify

If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with HCHC, HCHC will automatically reschedule a second appointment. If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the HCHC will send the family a termination notice. The notice will also inform the family of their right to an informal hearing, if requested.

Exceptions to these policies may be made if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability. Written notification will be sent to the family of the reschedule appointment.

Documents Required From the Family

In the notification letter to the family, the HCHC will include instructions for the family to bring the following supporting documentation:

- Three consecutive paycheck stubs, or if unavailable a letter of employment for all wage earners that includes the date of hire, hourly wage or salary, number of hours worked per week, overtime pay rate, number of overtime hours worked or a letter from the agency or person providing the household income including alimony, child support, pension/retirement, social security, unemployment, voluntary contributions or welfare.
- Birth certificates and social security cards for each household member.
- Account statements for checking, savings, money market, stocks, bonds, certificates of deposit, treasury bills or any other asset that includes the name of the financial institution, account number, and interest rate.
- Statements verifying a claim of childcare and medical expenses.

The HCHC will periodically require the family to submit documentation to support special needs including live-in attendants, equipment or other items as specified by a reliable, knowledgeable medical professional.

Verification of Information

The HCHC will follow the verification procedures and guidelines described in Chapter 9 Verification Procedures. Verifications for reexaminations must be less than 120 days old from the effective date of the reexamination.

Tenant Rent Increase

If the family's rent increases, a notice is mailed to the family at least 28 days by the first of the month preceding the effective date of the annual recertification.

If notice is not provided within 28 days by the first of the preceeding month the family's rent increase will be delayed until a full month following the notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual recertification.

Tenant Rent Decreases

If family's rent decreases, it will be effective on the recertification anniversary date. If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the HCHC.

C. REPORTING INTERIM CHANGES [24 CFR 982.516]

Program participants must report all changes in household composition to the HCHC between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. Program participants do not have the right to add, or assume the right to add a household member. The family must obtain HCHC approval prior to all additions to the household. The HCHC reserves the right to deny the addition of household members other than minor offspring.

Addition of Household Members

The addition of household members will generally be approved, along with a subsequent increase in the family's voucher size, under the following circumstances:

- The addition to the household is a minor child for whom the family can demonstrate some type of custody arrangement.
- The addition to the household is a critically ill parent or adult child.
- The addition to the household is a proposed spouse or significant other who is in good

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standing according to PHA initial eligibility requirements and can demonstrate a stable rental history over the previous 18 months.

- As a general policy the HCHC will allow the addition of up to two foster children. The approval of more than two foster children will be considered on a case-by-case basis.
- The addition of a live-in attendant will generally be approved when the addition is documented as a requirement by a certified medical professional.

The addition of other household members who do not fall in the above categories will generally be approved, however the family will not qualify for a subsequent increase in the voucher size or rental subsidy.

Addition of household members will generally not be approved under the following circumstances:

- The proposed addition to the household is a person who has been charged with a felony or misdemeanor for illegal drug activity or violent criminal activity.
- The proposed addition to the household was evicted from the previous residence for non-payment of rent or lease violations.
- The proposed addition to the household would increase the household size to more than six members.

In certain instances HCHC may approve a temporary addition to the household not to exceed 12 months. Temporary additions to the household will not affect the current voucher size to which the family is entitled. Temporary additions of less than six months will not be added to the family's household composition and will not qualify for applicable HUD allowances.

If any new family member is added, family income must include any income of the new family member. The HCHC will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment. The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit.

Removal of Household Members

The Commission requires proper documentation in order to remove family members from the household.

Required documentation for the removal of minors from the household may include court ordered custody documents, adoption papers, foster care verifications, or verification from a youth institution or facility.

Required documentation for the removal of adult members from the household may include a lease from a multi-family rental complex or an authorized realtor, or a combination of sources such as utility bills, auto insurance, bank accounts, telephone bills, cable bills, medical bills,

employment records, school records, police reports or verification from a penal institution.

At the Commission's discretion, the Commission may offer the family the option of signing a "Statement of Understanding" for removal of household members. The document would state that family members who have been removed from the household are prohibited from using the subsidized address on any application, court document, correspondence, DMV document, police document, school record, employment record, welfare document, etc. The document will also state that the family member in question will be ineligible to be re-added to the household.

Program Participants are required to obtain Housing Authority approval before adding members to the household. If a head of household gets married without first seeking approval from the Housing Commission for the addition of a spouse, and the spouse is found to be ineligible for admission due to a previous criminal history, the Commission will consider the entire household to be ineligible for program participation.

Split Households

In those instances when a family assisted under the HCVP becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the Chief of HCVP & PH shall consider the following factors to determine which of the families will continue to be assisted:

- Which of the two new family units has custody of dependent children.
- Which family member was the head of household when the Voucher was initially issued (listed on the initial application).
- The composition of the new family units, and which unit contains elderly or disabled members.
- Whether domestic violence was involved in the breakup.
- Which family members remain in the unit.
- Current household income of the new family units and potential for increased income.
- Recommendations of social service professionals.

Increases in Income

Interim Reexamination Policy

The family is only required to report increases in household income resulting from a change in household composition, or if the family has previously reported household income of less than \$1,800.00 Annually (\$150.00 monthly). Additionally, if the Commission determines that there is a pattern of voluntarily reducing income prior to annual recertification, the family may be required to report future increases in household income which will be made effective prior to the next recertification cycle. A pattern of voluntary reduction of income is defined as periods of employment greater than 6 months that begin afterwards or prior to the annual recertification

cycle twice during any 3 year period. Increases in income will also be processed when a family has previously reported an interruption of employment due to a short term medical issue.

Decreases in Income

Participants may report a decrease in income and other changes that would reduce the amount of tenant rent, such as an increase in allowances or deductions. The HCHC must calculate the change if a decrease in income is reported.

HCHC Errors

If the HCHC makes a calculation error at admission to the program or at an annual reexamination, an interim reexamination will be conducted, if necessary, to correct the error, but the family will not be charged retroactively. Families will be given decreases, when applicable, retroactive to when the decrease for the change would have been effective if calculated correctly.

D. OTHER INTERIM REPORTING ISSUES

An interim reexamination does not affect the date of the annual recertification. An interim examination may be scheduled for families with zero income on a bi-monthly basis with a required monthly reporting component. If the income reports submitted continue to be questionable, the family will be required to appear for monthly income certifications.

In the following circumstances, the HCHC may conduct the interim recertification by mail:

- Changes that will not result in a change in tenant rent or voucher size;
- Changes in income that are normal for the family, such as seasonal employment; and
- As a reasonable accommodation when requested (see Chapter 1 Statement of Policies and Objectives).

Any changes reported by participants other than those listed in this section will be noted in the file by the staff person but will not be processed between regularly-scheduled annual recertifications.

E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The HCHC **will not** reduce the family share of rent for families whose welfare assistance is reduced specifically because of:

- fraud;
- failure to participate in an economic self-sufficiency program; or
- non-compliance with a work activities requirement.

However, the HCHC **will** reduce the family share of rent if the welfare assistance reduction is a result of:

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- The expiration of a lifetime time limit on receiving benefits; or
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment.

The HCHC will notify affected families that they have the right to an informal hearing regarding these requirements (see Chapter 9 Verification Procedures).

F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS [HUD Notice PIH 98-6]

The HUD form 50058 will be completed and transmitted as required by HUD. The new payment letter is mailed to both the owner and the tenant. If the family disagrees with the rent adjustment, they may request an informal hearing.

G. TIMELY REPORTING OF INCOME AND ASSET CHANGES

[24 CFR 982.516(c)]

Standard for Timely Reporting of Changes

HCHC requires that families report interim changes by the end of the month in which the change occurs. Any information, documentation or signature needed from the family to verify the change must be provided at the time that the change is reported. If the required information, documentation or signature is not submitted at the time that the change is reported, the effective date of the change will be delayed until the first day of the following month after the verification is received.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures When the Change is Reported in a Timely Manner

The HCHC will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

- Increase in Tenant Rent is effective the first day of the month following the day and month in which the change is reported, and allowing at least 2530 days notice of the change.

For example, Mrs. Gateway gets a promotion on her job and a pay raise. She reports her pay raise to HCHC on January 15th. Her new income is verified by January 25th. HCHC calculates Mrs. Gateway's new tenant portion/share of the rent and sends her notice that she must pay the increased amount effective March 1st. The family will not receive a 2830-day notice of increase if they are responsible for the delay in notice due to failure to submit required documents or if the family previously received a notice of program termination that was not appealed within the required appeal period.

- Decrease in Tenant Rent is effective the first day of the month following the day and month in which the change is reported and verified. The family is responsible for providing verification of the reduction in income at the time that it is reported. Failure to provide the verification will cause the paperwork to be returned to the family and will result in a delay in the effective date of the change until the first of the month following when the change is resubmitted by the family.

For example, Mr. Gateway is laid off from his part-time job effective January 15th, but continues to work full-time. He reports his income loss to HCHC January 20th. His situation is verified by January 27th. HCHC calculates Mr. Gateway's new tenant portion/share of rent and sends him notice to pay the decreased amount effective February 1st.

Please note that no change will be made until the third party verification is completed and proper verification has been received. In some cases the time to verify the change may take additional time and require that HCHC process retroactive adjustments or delay the effective date of the change

Procedures When the Change is Not Reported by the Family in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

- Increase in Tenant Rent will be effective retroactive to the date it would have been effective had the change been reported timely. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement.
- Decrease in Tenant Rent will be effective on the first of the month following the month that the change was reported and verified. No retroactive adjustment will be made to reduce past month's rent.

Procedures When the Change is Not Processed by HCHC in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the HCHC in a timely manner.

If the change results in an increase, the change will not be made effective retroactively to the timely reporting date. HCHC will make the change effective for the first day of the next month and after the required 2830 day notice.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

B. INCREASE OR DECREASE IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES [24 CFR 982.516©]

B. See Chapter 7 Subsidy and Occupancy StandardsI. CONTINUANCE OF ASSISTANCE F“R "MI”ED" FAMILIES [24 CFR 5.518]

Under the Non-citizens Rule⁶², "Mi~~x~~²²ed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

The Non-citizens Rule was implemented on or after November 29, 1996, and mixed families may receive prorated assistance only.

J. MISREPRESENTATION OF FAMILY CIRCUMSTANCES

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the HCHC may terminate assistance and may refer the family file/record to the proper authorities (e.g., HUD Office of the Inspector General) for appropriate disposition (see Program Integrity Addendum).

CHAPTER 15 - MOVES WITH CONTINUED ASSISTANCE/PORTABILITY
[24 CFR 982.314, 982.353, 982.355(a)]

INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the 'HA's jurisdiction, or to a unit outside of the 'HA's jurisdiction under Portability procedures. The regulations also allow the PHA the discretion to develop policies that define any limitations or restrictions on moves. This Chapter defines the procedures for moves, both within and outside of, the 'HA's jurisdiction, and the policies for restriction and limitations on moves

A. ALLOWABLE MOVES

A family may move to a new unit with continued assistance if:

- The assisted lease for the old unit has terminated because the HCHC has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.
- The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (unless assistance to the family will be terminated).
- The family has given proper notice of lease termination (and if the family has a right to terminate the lease on notice to owner).

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

First Year Rule - families will not be permitted to move within the HCHC's jurisdiction during the initial year of assisted occupancy.

Families will be permitted to move outside the HCHC's jurisdiction under portability procedures during the initial year of assisted occupancy if the family resided in Howard County at the time that the family reached the top of the waiting list

Families will not be permitted to move more than once in a twelve month period.

The HCHC may deny permission to move:

- If the family is in violation of a family obligation.
- If the family owes money to HCHC.
- If the family has recently moved or been issued a voucher within the last 12 months.
- If the family has moved out of its assisted unit in violation of the lease
- If the family owes unpaid rent to the current owner including damages and/or unpaid utilities (supported by a court judgment) or owes unpaid utilities to any utility company at its current unit. The Commission may consider allowing the family to enter a repayment agreement with the current landlord in lieu of terminating the

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family if the family provides an upfront payment to the landlord equal to a minimum of 25% of the total amount currently due, or projected to be due in the event of damages to the unit. The family must also enter an agreement with the landlord to pay the balance due in addition to signing a "Statement of Understanding" with the Housing Commission acknowledging that failure to honor the repayment agreement will result in the termination of Housing Assistance.

- If the current landlord refuses to sign-off on the "Tenant In Good Standing Notice" or refuses to release the family from the lease prior to the lease expiration date (with valid documentation).
- If the family is evicted for a major breach of lease.

The Chief of Housing Choice Voucher and Public Housing Programs may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

C. PROCEDURE FOR MOVES [24 CFR 982.314]

Issuance of Voucher

Subject to the restrictions on moves, if the family has not been recertified within the last 120 days, the HCHC will issue the voucher to move after conducting the recertification.

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

The annual recertification date will be changed to coincide with the new leased-up date. Families who have moved out of the unit in violation of Section C Notice Requirements of this chapter will not be issued a voucher.

Notice Requirements

Briefing sessions emphasize the family's responsibility to give the owner and the HCHC proper written notice of any intent to move.

The family must give the owner the required written notice of intent to vacate specified in the lease and must provide HCHC with a copy simultaneously.

Time of Contract Change

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move.

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy, unless proper notice was given to end a lease mid-month. Assistance will start on the new unit on the effective date of the lease and contract. Assistance payments may overlap for the month in which the family moves only with preapproval.

D. PORTABILITY [24 CFR 982.353]

Portability applies to families moving out of or into the HCHC's jurisdiction within the United States and its territories

E. OUTGOING PORTABILITY [24 CFR 982.353, 982.355]

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside the HCHC's jurisdiction, anywhere in the United States, in the jurisdiction of a PHA with a tenant-based program. When a family requests to move outside of the HCHC's jurisdiction, the request must specify the jurisdiction to which the family wants to move. If there is more than one PHA in the area in which the family has selected a unit, the HCHC will identify the appropriate receiving PHA.

Restrictions on Portability

Applicants

If neither the head nor spouse had a domicile (legal residence) in HCHC's jurisdiction at the date of their initial application for assistance and on the date that the family reached the top of the waiting list, the family will not be permitted to exercise portability upon initial issuance of a voucher, unless the HCHC approves such move.

Note: The legal domicile is verified by HCHC.

Upon initial issuance of a voucher the family must be income eligible under the receiving PHA's income limits during the initial 12 month period after admission to the program.

Participants

After an applicant has leased in the jurisdiction of the initial housing agency, they cannot exercise portability during the first year of assisted occupancy, except when the family's move relates to an opportunity for education, job training or employment and the receiving and initial Housing Authority agree to allow the move.

The HCHC will not permit families to exercise portability:

- If the family is in violation of a family obligation;
- If the family owes money to the HCHC;
- If the family has moved or been issued a voucher within the last 12 months;
- If the family has moved out of its assisted unit in violation of the lease;
- If the family is evicted for a major breach of lease;
- If the family owes unpaid rent to the current owner including damages and/or unpaid utilities (supported by a court judgment) or owes unpaid utilities to any utility company at its current unit. The Commission may consider allowing the family to enter a repayment agreement with the current landlord in lieu of terminating the family if the family provides an upfront payment to the landlord equal to a minimum

of 25% of the total amount currently due, or projected to be due in the event of damages to the unit. The family must also enter an agreement with the landlord to pay the balance due in addition to signing a "Statement of Understanding" with the Housing Commission acknowledging that failure to honor the repayment agreement will result in the termination of Housing Assistance; or

• or

If the current landlord refuses to sign-off on the move or release the family from the lease

F. INCOMING PORTABILITY [24 CFR 982.354, 982.355]

Absorption or Administration

The HCHC will accept a family in good standing with a Voucher from another jurisdiction. The voucher may be administered or absorbed. If administered, the family will be issued a voucher by the HCHC. The term of the voucher will not expire until 30 days after ~~prior to~~ the expiration date of the voucher issued by the porting jurisdiction. The family must submit a RFTA for an eligible unit to the HCHC during the term of the voucher. The HCHC may grant extensions in accordance with this Administrative Plan. However, if the family does not successfully lease during the initial term of the voucher HCHC may give the family an extension if the number of days left on the voucher is less than 120 days from the initial date of issue. Otherwise the family must contact the porting jurisdiction to request an extension. If the family fails to lease, fails to request an extension or the request for an extension is denied the HCHC will send the family's paperwork back to the porting jurisdiction.

The HCHC may absorb incoming vouchers in cases where:

- The initial PHA absorbs an equal number of the HC²HC's outgoing vouchers;
- At HCHC's discretion or
- To support the graduation efforts of Family Self-Sufficiency participants.

When HCHC does not absorb the incoming voucher, it will administer the porting jurisdiction's voucher, but HC²HC's policies will prevail. For admission to the program the family must be income eligible in the area where they initially lease a unit with assistance.

The HCHC will issue a voucher according to its own subsidy standards. If the family has a change in family composition which would change the voucher size, the HCHC will change to the proper size based on its own subsidy standards.

Income and Total Tenant Payment of Incoming Portables [982.353(d)]

As the receiving jurisdiction, HCHC will conduct a recertification interview during the portability briefing; however this process is not designed to and will not cause a delay in the issuance of a voucher.

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If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the HC's jurisdiction, the HCHC will refuse to enter into a contract on behalf of the family at \$0 assistance.

Requests for Tenancy Approval (RFTA)

All families porting to Howard County are required to attend a briefing prior to a Howard County voucher being issued (see Chapter 10 Voucher Issuance and Briefings). When the family submits a RFTA, it will be processed using the HC's policies. If the family does not submit a RFTA or does not execute a lease, the porting jurisdiction will be notified within 30 days by the HCHC of the voucher's expiration.

If the family leases successfully, the HCHC will notify the initial PHA within 10 working days, and the billing process will commence. The HCHC will notify the porting jurisdiction if the family fails to submit a RFTA for an eligible unit within the term of the voucher.

If the HCHC denies assistance to the family, the HCHC will notify the porting jurisdiction within 30 days and the family will be offered a review or hearing. The HCHC will notify the family of its responsibility to contact the porting jurisdiction if the family wishes to pursue portability opportunities in another jurisdiction.

Regular Program Functions

The HCHC will perform all program functions applicable to the tenant-based assistance program, such as:

- Annual reexaminations of family income and composition;
- Annual inspection of the unit; and
- Interim examinations when requested or deemed necessary by the HCHC.

Terminations

The HCHC will notify the porting jurisdiction, in writing, of any termination of assistance within 30 days of the termination. If an Informal Hearing is required and requested by the family, the hearing will be conducted by HCHC. A copy of the hearing decision will be furnished to the porting jurisdiction.

The porting jurisdiction will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment only if the claim originated in their jurisdiction. If the claims originated in the initial PHA's jurisdiction, the initial PHA is responsible for collection. If the porting jurisdiction notifies the HCHC that the family is in arrears or the family has refused to sign a payment agreement for monies owed, the HCHC will terminate assistance to the family.

Required Documents

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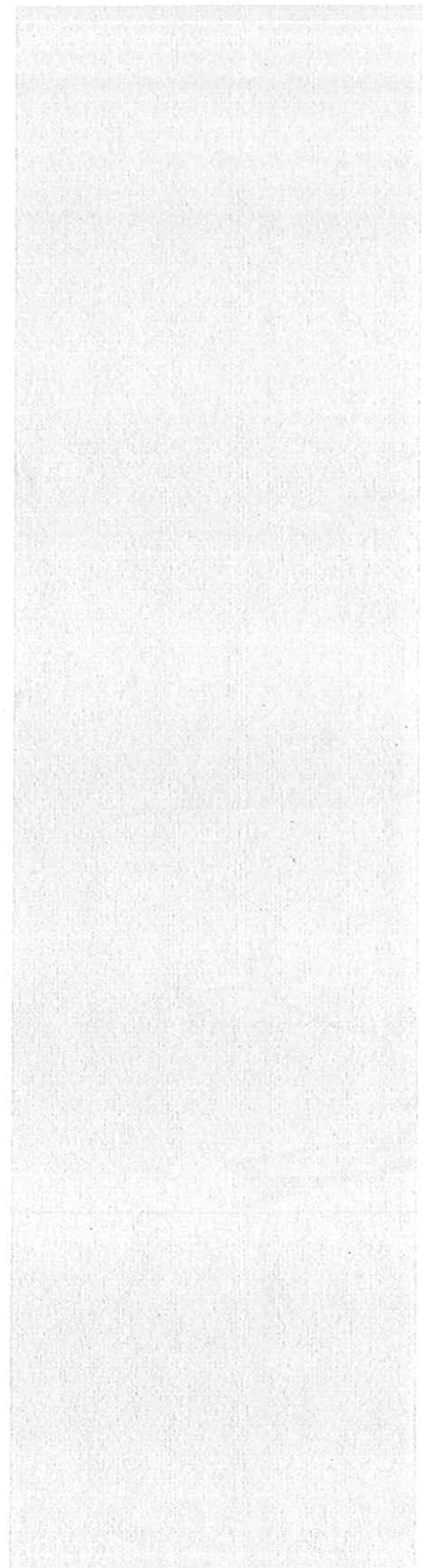
As the receiving jurisdiction, the HCHC will require the documents listed on the HUD Portability Billing Form from the porting jurisdiction.

Billing Procedures

As a receiving jurisdiction, the HCHC will bill the porting jurisdiction annually or when there is a change in the subsidy amount.. The billing cycle for other amounts, including Administrative Fees and Special Claims will be monthly unless requested otherwise by the porting jurisdiction.

The HCHC will bill 100 percent of the Housing Assistance Payment, 100 percent of Special Claims and 80 percent of the Administrative Fee, or other amount as determined by HUD (at the initial 'HA's rate) for each ported voucher leased as of the first day of the month.

The HCHC will notify the porting jurisdiction of changes in subsidy amounts and will expect the porting jurisdiction to notify the HCHC of changes in the Administrative Fee amount to be billed.



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CHAPTER 17 - DENIAL OR TERMINATION OF ASSISTANCE
[24 CFR 982.552, 982.553]

INTRODUCTION

B. The PHA may deny or terminate assistance for a family because of the family's action or failure to act. The HCHC will provide families with a written description of the Family Obligations under the program, the grounds under which the PHA can deny or terminate assistance, and the HCHC's Informal Review or Hearing procedures. This Chapter describes when the PHA is required to deny or terminate assistance, and the PHA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

GROUND FOR DENIAL/TERMINATION [24 CFR 982.552, 982.553]

If denial or termination is based upon behavior resulting from a disability, and if HCHC receives a request or documentation that shows that the behavior in question is due to a disability, the HCHC will delay the denial or termination in order to determine if there is an accommodation, which would negate the behavior resulting from the disability.

Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

- Denial for placement on the HCHC waiting list;
- Denying or withdrawing voucher assistance;
- Refusing to enter into a HAP contract or approve a tenancy; or
- Refusing to process or provide assistance under portability procedures.

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a tenancy;
- Terminating housing assistance payments under an outstanding HAP contract; or
- Refusing to process or provide assistance under portability procedures.

Mandatory Denial and Termination [24 CFR 982.552(b), 24CFR 982.553]

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The HCHC must deny assistance to applicants, and terminate assistance for participants:

- If any member of the family fails to sign and submit HUD or HCHC required consent forms for obtaining information;
- If no member of the family is a U.S. citizen or eligible immigrant. (see Section D);
- If the family is under contract and 180 days ~~(or twelve months, depending on the HAP contract used)~~ have elapsed since the HCHC's last housing assistance payment was made (see Chapter 16 Contract Terminations);
- The HCHC must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine in violation of any Federal or State law; or
- If any member of the family has been evicted from federally assisted housing for a serious violation of the lease, the HCHC must deny admission for three years after the eviction occurred.

The HCHC must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease.

The HCHC must deny admission to the program for an applicant or terminate program assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining information in accordance with Part 5, subparts B and F.

The HCHC must deny admission or terminate assistance when required under the regulations to applicants or participants who can verify citizenship or eligible immigration status.

The HCHC must permanently deny assistance to applicants, and terminate the assistance if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. [24 CFR 5.856]

Students enrolled at an institution of higher education who are under the age of 24, not a veteran, unmarried, and have no children are not eligible for the Housing Choice Voucher Program. The eligibility requirements apply to both full- and part-time students. [24 CFR 5.612 and 5.609] Under this rule, students are exempted if parents of the student, jointly or individually, are determined to be income ineligible for the program.

Grounds for Denial or Termination of Assistance [24 CFR 982.552(c)]

The HCHC will deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

- If the family violates any family obligation under the program as listed in 24 CFR 982.551;
- If any member of the family has ever been evicted or is in the process of being evicted from public housing. If the eviction is overturned in favor of the client,

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eligibility in the Housing Choice Voucher Program will be determined at the conclusion of the eviction process;

- If HCHC has ever terminated assistance under Housing Choice Voucher Program for any member of the family;
- If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- The family currently owes rent or other amounts to the HCHC or to another PHA in connection with the HCVP or PH programs;
- The family breaches an agreement with HCHC to pay amounts owed to a PHA, or amounts paid to an owner by the HCHC. The HCHC at its discretion may offer the family the opportunity to enter into a repayment agreement. The HCHC will prescribe the terms of the agreement (see Chapter 20 Owner or Family Debts to HCHC);
- If the family has engaged in or threatened abusive or violent behavior toward HCHC personnel. This behavior includes, but is not limited to the following“:
 - "Abusive or violent behavior towards HCHC personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial“.
 - "Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.
 - Actual physical abuse or violence will always be cause for termination.
- If any member of the family whose drug or alcohol abuse interferes with the health, safety or peaceful enjoyment of other project residents; or
- If any member of the family commits drug-related criminal activity, or violent criminal activity.

HCHC will not deny admission to the HCVP to any applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, or stalking if the applicant otherwise qualifies for assistance or admission. Criminal activity directly relating to domestic violence, dating violence, or stalking engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, shall not be cause for termination if the tenant or immediate member of the tenant’s family is a victim of that domestic violence, dating violence, or stalking.

HCHC may permit an owner or manager receiving HAP to bifurcate a lease in order to terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members of others without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.

HCHC may terminate assistance for any violation of a lease not based on the act or acts of

violence in question against the tenant or a member of the tenant's household.

HCHC may terminate assistance for any tenant that poses actual and imminent threat to other tenants or the employees of the HCHC if that tenant's tenancy is not terminated.

An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and will not be good cause for terminating the tenancy or occupancy rights of the victim of such violence.

As allowed by federal statute and/or regulation, the HCHC may require that an individual certify via a HUD approved certification form that the individual is a victim of domestic violence, dating violence, or stalking, and that the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements set forth in paragraphs J and P of this section. Such certification shall include the name of the perpetrator. The individual shall provide such certification within 14 business days after the HCHC requests such certification.

If the HCHC is advised through the normal course of business or at recertification of a program participant with a family member meeting the following student criteria: Students enrolled at an institution of higher education who are under the age of 25, not a veteran, unmarried, and have no children, the individual and family could be terminated from the program based on household income levels. [CFR24 982-552]

~~HCHC will deny or terminate assistance if the preponderance of evidence indicates that a family member has engaged in drug-related criminal activity or violent criminal activity regardless of whether the family member has been arrested or convicted as follows:~~

- ~~• A preponderance of evidence indicates that a family member is guilty of a felony regardless of a conviction.~~
- ~~• The preponderance of evidence indicates that a family member is guilty of multiple unrelated misdemeanor drug or violent criminal activity charges, one of which has occurred within the past five years, regardless of conviction.~~
- ~~• The preponderance of evidence indicates that a family member is guilty of a single misdemeanor drug or violent criminal activity charge, and also demonstrates a pattern of disregard for the law as evidenced by at least three other unrelated felony or misdemeanor charges, of any type, regardless of conviction.~~
- ~~• The preponderance of evidence indicates that a family member is guilty of more than two misdemeanor drug or violent criminal activity charges none of which has occurred within the past five years, regardless of conviction.~~

The following Criteria shall be used to determine whether a housing applicant should be admitted to the HCV Program or be subject to Further Review. Applicants with

convictions not listed in the criteria below are admissible for purposes of criminal background screening. Applicants with one or more convictions that fall in any of the categories below will be sent for Further Review.

If an applicant has one or more convictions (for felonies or misdemeanors) that do not fall within the below criteria, but the screener has grounds to believe that the applicant presents a significant level of risk to the housing community, the screener may, after stating case-specific reasons, request written permission from the Executive Director or his designee to depart from the criteria and submit the individual for Further Review. Such decisions to send the individual for Further Review, and the reasoning behind the decision, will be documented in writing.

Notwithstanding anything to the contrary herein, the HCHC shall comply with all Federal laws and regulations, and state and local law. The below criteria outlines "look-back periods." These are the time periods for which the HCHC may consider past criminal convictions.

<u>Type</u>	<u>#</u>	<u>Crime Category</u>	<u>Subcategory</u>	<u>Further Review</u>
<u>Crimes Against Persons</u>	<u>1</u>	<u>Assault and Battery</u>	<u>Felony Only</u>	<u>Further Review if within 3 years of conviction or 1 year of release from date of screening</u>
	<u>2</u>	<u>Misdemeanor Domestic Violence</u>	<u>All</u>	<u>Further Review 3 years of conviction or 1 year of release from date of screening</u>
	<u>3</u>	<u>Use of firearm against a person</u>	<u>All</u>	<u>Further Review</u>
	<u>4</u>	<u>Armed Robbery Offenses</u>	<u>All</u>	<u>Further Review</u>
	<u>5</u>	<u>Robbery Offenses, no weapon involved</u>	<u>All</u>	<u>Further Review if within 3 years of conviction or 1 years of release from date of screening</u>
	<u>6</u>	<u>Intentional Homicides</u>	<u>All</u>	<u>Further Review</u>
	<u>7</u>	<u>Manslaughter</u>	<u>All</u>	<u>Further Review</u>
	<u>8</u>	<u>Kidnapping and Aduction</u>	<u>All</u>	<u>Further Review</u>

	<u>2</u>	<u>Sex Offenses – forcible</u>	<u>All</u>	<u>Further Review</u>
	<u>10</u>	<u>Sex Offenses – Non-forcible</u>	<u>Felony Only and peeping tom misdemeanor</u>	<u>Further Review if within 3 years of conviction or 1 year of release from date of screening</u>
	<u>11</u>	<u>Stalking</u>	<u>All</u>	<u>Further Review if within 3 years of conviction or 1 year of release from date of screening</u>
	<u>12</u>	<u>Arson-Related Offenses</u>	<u>All</u>	<u>Further Review</u>
<u>Crimes Against Property</u>	<u>13</u>	<u>Burglary/Breaking & Entering-related offenses</u>	<u>Felony Only</u>	<u>Further Review if within 3 years of conviction or 1 year of release from date of screening</u>
	<u>14</u>	<u>Theft, Stolen Property, Fraud-related offenses</u>	<u>If two or more felony convictions</u>	<u>Further Review if within 3 years of conviction or 1 year of release from date of screening</u>
	<u>15</u>	<u>Destruction/Damage/Vandalism of Property offenses</u>	<u>Felony Only</u>	<u>Further Review if within 3 years of conviction or 1 year of release from date of screening</u>
<u>Crimes Against Society</u>	<u>16</u>	<u>Drug offenses – Possession</u>	<u>If two or more felony convictions</u>	<u>Further Review if within 1 years of latest conviction or release from date of screening</u>
	<u>17</u>	<u>Drug offenses – Manufacture, Distribution, or Possession with Intent to Distribute</u>	<u>All</u>	<u>Further Review if within 5 years of conviction or 1 year of release from date of screening</u>
	<u>18</u>	<u>Driving under the influence-related offenses</u>	<u>If two or more convictions</u>	<u>Further Review if within 1 years of latest conviction or release from date of screening</u>
	<u>19</u>	<u>Weapons offenses (other than use of a firearm against a person)</u>	<u>All</u>	<u>Further Review if within 3 years of conviction or 1 year of release from date of screening</u>
<u>Multiple offenses</u>	<u>20</u>	<u># 1, 2, 5, 10, 11, 17, or 19</u>	<u>If two or more convictions</u>	<u>Further Review if two convictions are within previous</u>

				<u>10 years from date of screening</u>
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Rules to Apply the Screening Criteria

The look-back periods in the screening criteria apply from the date of conviction or date of release from detention or incarceration-whichever is more recent-to the date of the screening. The post-release look-back periods only apply to release from serving a sentence for the crime identified. Incarceration for any other reason is not relevant to the post-release look-back periods.

The Screening Criteria generally applies to convictions. Arrests alone shall not be considered, unless charges are pending. In the event of pending charges listed in the criteria, a decision on admission will be deferred until adjudication of the case. If an expunged conviction appears on a criminal background report, it will not be considered in the screening process.

The misdemeanors specified in the criteria are those that may reasonable impact community safety, such as domestic violence or concealed weapon offenses.

Attempts and conspiracies to commit a crime will be treated the same way as the primary crime. For example, an applicant with a conviction for attempted murder will be screened the same way as a person with a conviction for the murder, the application will be sent for Further Review. Convictions for accessory after the fact crimes are not of concern.

If the applicant has more than one conviction, the screener will apply the grid to each conviction. If any conviction is a crime of concern, the applicant will be sent for Further Review. If none of the convictions are for crimes of concern, the applicant may be admitted, if otherwise eligible.

Further Review

The Review Panel will evaluate applicants who have one or more criminal convictions that suggest a significant level of risk to the community. The Panel will conduct an individualized assessment based on the totality of the circumstances to determine whether the applicant should be admitted or denied admission.

Panel Members

The Review Panel will consist of up to five members: the Agency Investigator, the Housing Howard County Housing Commission

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Choice Voucher Program Coordinator, a homeless advocate, and two other at large members appointed by the Executive Director or his designee. The Chair of the panel shall be appointed by the Executive Director. A minimum of 3 members must be present in order to render a decision on admission. The Chair shall lead the Review Meetings and shall be responsible for transmitting the Panel's decisions in writing.

The Panel will scheduled to meet monthly as needed. The Panel's meetings are not open to the public. Applicants requiring Further Review will be notified and scheduled for the next Panel meeting, and will be given a minimum of 30 days between notification and review date. An applicant may opt to waive the notice period in the event of a pending housing emergency. The Investigator will produce a detailed criminal conviction report to be used by the panel in the review process.

Notification and Coordination

As soon as it is determined that Further Review is required, the applicant will be notified in writing that his or her admission will be subject to Further Review and will be sent a copy of the conviction information and a written notice explaining in plain language the procedures of the Further Review, the timeframe to submit information, the right to bring information or people who may speak on the applicant's behalf, to be represented by counsel, and to ask questions, and the phone number and address for Legal Aid as a potential resource for assistance. The Panel will consider any requests for reasonable accommodations and additional time.

The applicant has the option to appear in person for the Further Review or submit a written and signed statement and other documents for consideration. No inference will be drawn from the applicant's presence or absence.

The applicant will have the opportunity to dispute the accuracy of the conviction information in accordance with the federal Fair Credit Reporting Act (FCRA).

The Panel will consider all applicants equally and render decisions in a fair and consistent manner.

The Panel's decision will be transmitted within ten (10) business days. The Panel's decision will be considered as the applicant's HUD mandated Informal Review Process and any further appeal of the Panel's decision would proceed in accordance with state law.

Applicant Documents for Panel Consideration

The applicant bears no burden of proof. However, the applicant is invited to submit the following if relevant:

- Letter or comments from a probation/parole officer;
- Letter or comment from a case worker, counselor, or therapist;
- Certificates of treatment completion as relevant to the conduct underlying the conviction
- Letter or comments from family member or others who know the applicant well;
- Document from a community organization with which the applicant has been engaged;
- Letter or comments from employers or teachers;
- Certificate of completion of a training program;
- Proof of employment
- Other relevant documents;
- Statement from the applicant

Decision-Making Process and Available Decisions

The Panel will review the applicant's circumstances and other available information, including any information the applicant chooses to bring to the Panel's attention. After the Panel reviews all relevant information, members will vote to grant or deny admission.

The panel will, at a minimum, take into account the following factors in its decision-making:

a. Criminal History

- Time since most recent conviction;
- Time since release from prison/jail, if applicable;
- Number of convictions;
- Nature of the convictions;
- Risk and/or needs scores (if applicable) used by Probation and Parole.

b. Rehabilitation

- o History of drug/alcohol abuse;
- o Treatment participation (while incarcerated or not);
- o Treatment completion;
- o Success or failure during community supervision, if any.

c. Community Ties/Support

- o Household Composition
- o Support Networks (both who supports the applicant and who the applicant supports);
- o Involvement in community groups (e.g., volunteer work, AA/NA).

d. Employment History

- o Current employment
- o Employment stability;
- o Current educational or training program.

The Panel may consider any factors, other than the above, that they consider relevant. If the Panel considers any factors other than the above, they will specify those factors and explain why they were relevant. For any denial based on a household member's criminal record, the Panel may permit the remaining household members to be admitted, after excluding the denied family member.

The Panel will follow a majority rule to make a decision. The Panel will reach its decision on the day of the Further Review, except when it lacks a critical piece of information. If more information is needed, the Panel shall reach its decision as soon as possible. The applicant will be notified in writing within ten (10) business days of the Panel's decision.

Victims of Domestic Violence

Domestic Violence, dating violence or stalking do not constitute serious or repeated lease violations or prohibited criminal activity by anyone except the perpetrator if such person is a member of the household. HCHC will not terminate assistance to a family member on the basis that the member is or has been the victim of domestic violence, dating violence or stalking. However, HCHC has the authority to bifurcate a lease in order to terminate assistance to an occupant who engages in criminal acts of physical violence against family members or others without evicting, removing, terminating assistance to or otherwise penalizing the victims of such acts.

When a family member reports being a victim of domestic violence, dating violence or stalking, HCHC may require that the member submit the following:

- Written certification of this status; and/or
- Evidence to corroborate the claim (police report, court record, signed statement of victim services professional, etc.).

This section shall not limit the authority of HCHC to terminate a lease for violations not based on acts of domestic violence, dating violence or stalking against a household member.

HCHC may terminate a lease in order to avert an actual or imminent threat to other residents or to HCHC employees.

**B. SCREENING AND TERMINATION DECISIONS FOR DRUG ABUSE AND
OTHER CRIMINAL ACTIVITY**

Purpose

All federally assisted housing is intended to provide a place to live and raise families, not a place to commit crime, to use or sell drugs or terrorize neighbors. It is the intention of HCHC to fully endorse and implement a policy designed to:

- Help create and maintain a safe and drug-free community;
- Keep our program participants free from threats to their personal and family safety;
- Support parental efforts to instill values of personal responsibility and hard work;
- Help maintain an environment where children can live safely, learn and grow up to be productive citizens; and
- Assist families in their vocational/educational goals in the pursuit of self-sufficiency.

Administration

All screening and termination of assistance procedures shall be administered fairly and in such a way as not to violate rights to privacy or discriminate on the basis of race, color, nationality, religion, familial status, disability, sex or other legally protected groups.

To the maximum extent possible, the HCHC will involve other community and governmental entities in the promotion and enforcement of this policy.

Screening of Applicants

In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by the Notice 96-27, the HCHC will endeavor to screen applicants as thoroughly and fairly as possible for drug-related and violent criminal behavior. Such screening will apply to any member of the household who is 14 years of age or older.

HUD Definitions

For the purposes of 24 CFR Part 982 and this document, *covered person* means a tenant, any member of the tenants household, a guest or another person under the tenant's control.

For the purposes of 24 CFR part 5, subpart A and 24 CFR Part 982 and this document, *guest* means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of part 982 apply to a guest as so defined.

For the purposes of 24 CFR Part 982 and this document, *household* means all HCHC approved family members, including an approved live-in aide if applicable.

For the purposes of 24 CFR Parts 5 and 24 CFR Part 982 and this document, *other person under the tenant's control* means that the person, although not staying as a guest in the unit, is or was at the time of the activity in question on the premises because of an invitation from the tenant or other member of the household who has expressed or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant's control.

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

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with an intent to manufacture, sell, distribute or use of a controlled substance.

Violent criminal activity is any criminal activity that has as one of its elements, the use, attempted use, or threatened use of physical force against a person or property.

Preponderance of evidence is evidence which is of greater weight or more convincing than evidence which is offered in opposition to it so that the evidence, as a whole, shows the facts sought to be proved, are more probable than not.

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.

HCHC will terminate assistance for criminal activity by a household member, as described in this chapter if HCHC determines, based on a preponderance of the evidence that the household member has engaged in the activity. This action will be taken regardless of whether the household member has been arrested or convicted for such activity.

HCHC will pursue fact-finding efforts as needed to obtain credible evidence.

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HCHC may terminate assistance for criminal activity by a household member under this section if HCHC has determined that the household member has engaged in the criminal activity regardless of whether the household member has been arrested or convicted for such activity.

Confidentiality of Criminal Records

HCHC will ensure that any criminal record received in connection with a determination of qualification, termination or denial of assistance is maintained confidentially, not misused, nor improperly disseminated and destroyed once the purpose for which it is requested is accomplished. Misuse of the information by any employee of the HCHC may be grounds for termination of employment and legal penalties for misuse may be pursued.

Standard of Violation

HCHC will deny participation in the HCVP to applicants and terminate assistance to participants in instances in which the HCHC determines there is reasonable cause to believe that the family or a family member is illegally using a controlled substance or is engaged in a pattern of illegal use, or if the family or a family member abuses alcohol, or exhibits a pattern of abuse, that may interfere with the health, safety or right of peaceful enjoyment of the premises by other residents.

A pattern of abuse of a controlled substance or of alcohol abuse will be deemed to have been established if there is more than one incident during the previous twelve month period.

“Engaged in” or “engaging in” violent criminal activity means any act within the past 10 years by an applicant or participant or household member which involved criminal activity that included 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, which resulted in the arrest and/or conviction of the applicant, participant or any family or household member.

The existence of the aforementioned behavior by any family or household member, regardless of the applicant or participant’s knowledge of the behavior, shall be grounds for denial or termination of assistance.

In evaluating the evidence, the HCHC will give fair consideration to the seriousness of the activity, the extent of participation of individual family members, mitigating circumstances, the effects of denial or termination of assistance of other family members who are not involved, and the likelihood of favorable conduct in the future.

The HCHC will make its determination of denial of assistance on conviction evidence presented and its decision to terminate assistance based on a preponderance of the evidence presented.

As a part of a regional initiative to make the portability of vouchers a more seamless process, the Housing Commission has agreed to defer to the initial PHA’s criminal background check so that a family’s criminal background will not receive an additional review during the portability process. However, the family will be held accountable for any

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additional illegal drug or violent criminal activity that occurs after the family's move to Howard County. As there could have been additional criminal activity since the initial PHA's criminal background check, if the Commission discovers information about a family's criminal activities once they relocate to Howard County and the family did not declare the activity in question, the family will not be held harmless from termination resulting from this new information. This provision applies only to jurisdictions participating in the Baltimore Regional Mobility Initiative.

Additional Criteria for Ineligibility and Termination of Assistance

~~Persons evicted from federally assisted housing (e.g. Public Housing, Indian Housing, Section 23 Housing, etc.) for drug related criminal activity or violent criminal activity, are ineligible for admission to the HCVP for a 10 year period beginning on the date of such eviction.~~

~~HCHC may admit the family if, with respect to drug related activity, HCHC determines that the household member who engaged in drug related criminal activity has successfully completed a rehabilitation program approved by the HCHC.~~

~~Applicants will be denied assistance if they have been arrested/convicted/evicted from federally assisted housing for violent criminal activity within the last 10 years prior to the date of the certification interview. The HCHC may, after five years from the date of the conviction or at the end of the incarceration/probationary period, whichever is longer, require the applicant as a condition of admission to HCVP, to submit evidence sufficient to ensure that the individual or individuals in the applicant's household who have engaged in criminal activity for which denial was made, have not engaged in such criminal activity during such time.~~

~~HCHC will deny admission and continued participation to a family if any member of the household is subject to a lifetime registration requirement under a State sex offender registration process.~~

~~HCHC will deny admission to a family claiming a preference as a result of a fire if it is determined that the fire is the result of arson or willful malfeasance of the family or visitor or gross negligence or misuse by a family member or visitor. HCHC will terminate continued assistance and deny further assistance for five years to a family whose unit is fire damaged and it is determined that the fire is the result of arson or willful malfeasance of the family or visitor or gross negligence or misuse by a family member or visitor.~~

~~Under the family obligations listed at 24 CFR 982.551, the members of the household must not engage in drug related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. HUD regulations at 24 CFR 982.553 (b) require the HCHC to establish standards for termination of assistance when this family obligation is violated. The HCHC has established the following standards for termination of assistance for the~~

~~family when a household member has violated the family obligation to refrain from participating in drug-related or violent criminal activity;~~

~~Assistance will be terminated if any member of the household is been arrested/convicted/evicted from a unit assisted under any federally assisted housing program for drug-related or violent criminal activity during participation in the program, and within the last three years prior to the date of the notice to terminate assistance. Families arrested/convicted/evicted from a federally assisted unit will be denied future assistance in accordance with HUD rules and regulations and this document.~~

If any member of the household violates the family obligations by engaging in drug-related or violent criminal activity, the HCHC will terminate assistance.

In appropriate cases, the HCHC may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the HCHC may consider individual circumstances with the advice of Juvenile Court officials.

HCHC may waive the requirement regarding drug-related criminal activity if the person has demonstrated successful completion of a credible rehabilitation program approved by the HCHC.

Under the family obligations listed at 24 CFR 982.551, the members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. A violation of a family obligation will result in the termination of assistance if HCHC determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

Assistance will be terminated if a household member is arrested/convicted/incarcerated for any alcohol-related criminal activity on or near the premises within any 12 month period.

In appropriate cases, the HCHC may permit the family to continue receiving assistance provided that family members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, the HCHC may consider individual circumstances with the advice of Juvenile Court officials.

Notice of Termination of Assistance

In any case where the HCHC decides to terminate assistance to the family, the HCHC must give the family written notice which states:

- The reason(s) for the proposed termination;
- The effective date of the proposed termination;

- The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance; and
- The date by which a request for an informal hearing must be received by the HCHC.

HCHC will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance. The Notice to the owner will not include any details regarding the reason for termination of assistance.

Appeal of Denial or Termination of Assistance

In any case in which the HCHC determines to deny or terminate assistance to a family for drug related criminal activity or violent criminal activity, HCHC shall provide an opportunity for an Informal Review or Informal Hearing, as the case may be, pursuant to Chapter 21 Complaints and Appeals.

C. FAMILY OBLIGATIONS [24 CFR 982.551]

The family must supply any information that the HCHC or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24CFR 982.551). "Information" includes any requested certification, release or other documentation.

The family must supply any information requested by the HCHC or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.

The family must disclose and verify Social Security Numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.

All information supplied by the family must be true and complete.

The family is responsible for an HQS breach caused by the family as described in 982.404(b).

The family must allow the HCHC to inspect the unit at reasonable times and after reasonable notice.

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

The family must notify the owner and, at the same time, notify HCHC of their intent to vacate the unit or terminate the lease.

The family must promptly give the HCHC a copy of any owner eviction notice.

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The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The composition of the assisted family residing in the unit must be approved by the HCHC. The family must promptly inform the HCHC of the birth, adoption or court-awarded custody of a child. The family must request HCHC approval to add any other family member as an occupant of the unit.

The family must promptly notify the HCHC if any family member no longer resides in the unit. If the HCHC has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or HCHC approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.

Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as the family's residence and approved by the owner.

The family must not sublease/sublet the unit.

The family must not assign the lease or transfer the unit.

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

The family must not own or have any interest in the unit.

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

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

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

Housing Authority Discretion [24 CFR 982.552(c)]

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In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the HCHC has discretion to consider all of the circumstances in each case, including the seriousness of the case. The HCHC will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The HCHC may also review the family's more recent history and record of compliance, and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

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

The Executive Director reserves the right to immediately terminate the assistance of a family that commits an egregious violation of program rules and regulations that is determined to be an immediate threat to the health, safety and right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. This decision does not prevent the family from exercising their right to an Informal Hearing.

Enforcing Family Obligations

Explanations and Terms

The term "Promptly" when used with the Family Obligations always means "within 10 days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach

The Housing Inspector will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by Housing Inspector Supervisor.

Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

- If the owner terminates tenancy through court action for serious or repeated violation of the lease;
- If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the HCHC determines that the cause is a serious or repeated violation of the lease based on available evidence;
- If there are police reports, neighborhood complaints or other third party information, that has been verified by the HCHC; or
- If the owner notifies the HCHC of serious damage to the unit which is confirmed by a

program inspector, and the family does not correct the damage with 30 days or prior to vacating the unit.

Nonpayment of rent and failure to cooperate in the scheduling of HQS repairs are considered serious violations of the lease.

Notification of Eviction

If the family requests assistance to move and they did not notify HCHC of an eviction within 10 days of receiving the court notice, the move will be denied.

Proposed Additions to the Family

The HCHC will deny a family's request to add additional family members who are:

- Persons who have been evicted from public housing.
- Persons who have previously violated a family obligation listed in 24CFR 982.51 of the HUD regulations.
- Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher Program.
- Persons who commit drug-related criminal activity or violent criminal activity.
- Persons who do not meet the HCHC's definition of family.
- Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- Persons who currently owe rent or other amounts to the HCHC or to another PHA in connection with HCVP, other public housing assistance under the 1937 Act or other HCHC owned property.
- Persons who have engaged in or threatened abusive or violent behavior toward HCHC personnel.
- ~~Persons 16 years of age and older, and not a full-time student or suffering from some type of critical illness, if the addition will increase the family's eligible bedroom size or increase the family size to more than six members.~~

Family Member Moves Out

Families are required to notify the HCHC if any family member leaves the assisted household.

When the family notifies the HCHC, they must furnish the following information:

- The date the family member moved out;
- Documented proof of the new address, if known, of the family member (if the new address is not known or if the family is unable to provide acceptable verification of proof of address, at the PHA's discretion the family may be allowed to~~will be required the option of signing to sign~~ a Statement of Understanding regarding occupancy, use of unit address and visits by the absent member); and
- A statement as to whether the family member is temporarily or permanently absent.

Limitation on Profit-making Activity in Unit

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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 that is not available for sleeping, it will be considered a violation.

If the HCHC determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation.

If the HCHC determines the business is not legal, it will be considered a program violation.

Interest in Unit

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 under the Certificate Program.

Fraud

In each case, the HCHC will consider which family members were involved, the circumstances, and any hardship that might be caused to innocent members. In the event of false citizenship claims see Section D below.

D. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]

Denial or Termination due to Ineligible Immigrant Status

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. HCHC must offer the family an opportunity for a hearing (see Chapter 4 Program Eligibility and Chapter 20 Complaints and Appeals).

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

False or Incomplete Information

When the HCHC has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual will be given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the HCHC will not give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.

The HCHC will then verify eligible status, deny, terminate, or prorate as applicable. The HCHC will deny or terminate assistance based on the submission of false information or misrepresentation.

Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the HCHC either after the INS appeal or in lieu of the INS appeal.

After the HCHC has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

E. ZERO (\$0) ASSISTANCE TENANCIES

HAP Contracts On or After October 2, 1995 [24 CFR 982.455 (a)]

For contracts effective on or after October 2, 1995, the HCHC has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If, within the 180 day timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the HCHC will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION [24 CFR 982.551, 982.552(c)]

If the family has misrepresented any facts that caused the HCHC to overpay assistance, the HCHC may choose not to terminate assistance provided that the family executes a repayment agreement and makes payments in accordance with the agreement or reimburses the HCHC in full within 30 calendar days.

G. MISREPRESENTATION IN COLLUSION WITH OWNER [24 CFR 982.551, 982.552 (c)]

If the family intentionally, willingly, and knowingly commits fraud or is involved in any other illegal scheme with the owner, the HCHC will deny or terminate assistance. In making this determination, the HCHC will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

H. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552 (c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the HCHC to fulfill its responsibilities. The HCHC schedules appointments and sets deadlines in order to obtain the required information. The Obligations also require that the family allows the HCHC to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the HCHC, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the HCHC to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan.

Appointments will be scheduled and response deadlines will be imposed for the following events and circumstances:

- Eligibility for Admissions;
- Verification Procedures;
- Voucher Issuance and Briefings;
- Housing Quality Standards Inspections;
- Recertifications; and
- Appeals.

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency; and
- Family emergency.

Procedure When Appointments Are Missed Or Information Not Provided

For most purposes in this Plan, the family will be given one opportunity before being issued a notice of termination or denial for breach of a family obligation. A combination of two missed appointments in one year or three missed appointments in two years for annual recertification, zero income, inspection or reinspection will result in the issuance of a notice to terminate.

PHA Notice Requirements

Tenants will be provided with the following appointment notice:

- 14 days notice for the first recertification appointment and seven days notice for a rescheduled recertification appointment (see Chapter 14 Recertifications); and
- 14 days notice for the first inspection appointment and four days notice for a rescheduled inspection appointment (see Chapter 12 Housing Quality Standards and Inspections).

CHAPTER 20 - OWNER OR FAMILY DEBTS TO THE HCHC
[24 CFR 982.552]

INTRODUCTION

This Chapter describes the PHA's policies for the recovery of monies that have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the PHA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the PHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

HCHC will make every effort to collect money owed to the agency by program participants and/or owners. The HCHC will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments;
- Civil suits;
- Repayment Agreements;
- Abatements;
- Reductions in HAP to owner;
- Collection agencies;
- Credit bureaus; and
- Income tax set-off programs.

A. REPAYMENT AGREEMENT FOR FAMILIES [24 CFR 982.552 (b)(6-8)]

A Repayment Agreement as used in this Plan is a document entered into between the HCHC and a person who owes a debt to the HCHC. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the HCHC upon default of the agreement.

The HCHC will prescribe the terms of the Repayment Agreement, including determining whether to enter into a Repayment Agreement with the family based on the circumstances surrounding the debt to the HCHC. There are some circumstances in which the HCHC may not enter into a Repayment Agreement. They are as follows:

- If the family already has a Repayment Agreement in place;
- If the family received multiple previous warning notices;
- If the PHA considers the violation to be an intentional act;
- If the HCHC determines that the family committed program fraud; or
- If the HCHC determines that the debt amount is larger than can be paid back by the family in a reasonable amount of time.

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- If the family has previously entered into a repayment agreement and subsequently had the agreement discharged by filing for bankruptcy.

The maximum amount for which the HCHC will enter into a Repayment Agreement with a family is \$5000. The maximum length of time the HCHC will enter into a Repayment Agreement with a family is three years or 36 months. HCHC will consider claims of "hardship" and may consider alternate Repayment Agreement terms.

B. DEBTS OWED FOR CLAIMS [24 CFR 792.103, 982.552 (b)(6-8)]

If a family owes money to the HCHC for claims paid to an owner, HCHC will act as follows:

- Review the circumstances resulting in the overpayment;
- Decide whether the family must pay any or all of the overpayment; and.
- Execute the Repayment Agreement or notify the family that no repayment is required.

Late Payments

A payment will be considered to be late or in arrears if the payment has not been received by the close of the business on the day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's Repayment Agreement is in arrears, and the family has not contacted or made arrangements with the HCHC to bring the payment current, HCHC will:

- Require the family to pay the balance in full;
- Pursue civil collection of the balance due; or
- Terminate housing assistance.

If the family requests a move to another unit, has a Repayment Agreement in place for the payment of an owner claim and the Repayment Agreement is **not** in arrears the family will be permitted to move.

If the family requests a move to another unit, has a Repayment Agreement in place for the payment of an owner claim and is **in** arrears on a Repayment Agreement for the payment of an owner claim the family will be permitted to move **if** the past due amount is paid. However, requests to port the voucher to another jurisdiction will be denied until the balance is paid in full.

C. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION [24 CFR 982.163]

HUD's definition of program fraud and abuse is *a single act or pattern of actions that Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.*

Family Error/Late Reporting

Families who owe money to the HCHC due to the family's failure to report increases in income will be required to repay in accordance with the guidelines in the Repayment Agreement Section of this chapter, for first offenses only. Subsequent offenses will be handled as noted in the Program Fraud and Payment Procedures for Program Fraud sections of this chapter.

Program Fraud

Families who owe money to the HCHC due to program fraud will be required to pay in accordance with the payment procedures for program fraud, below.

If a family owes an amount that equals or exceeds \$5000 as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, the HCHC will refer the case for criminal prosecution (e.g. HUD Office of the Inspector General) and other means to recoup funds.

Payment Procedures for Program Fraud

Families who commit program fraud or untimely reporting of increases in income will be subject to entering into a Repayment Agreement to continue program participation. The maximum time period for a Repayment Agreement will be three years or 36 months. The amount of the monthly payment will be determined and adjusted in accordance with the family's current income and subsequent increases, if warranted, during the repayment period. Generally the terms of the Repayment Agreement will be based on a payment of 10% of Gross Adjusted Income with a minimum payment of \$50.00. The payment may be in excess of 10% of Gross Adjusted Income if the balance can't be paid off within the maximum period of 36 months.

D. GUIDELINES FOR REPAYMENT AGREEMENTS [24 CFR 982.552(b)(8)]

Repayment Agreements will be executed between the HCHC, the head of household, and all other adult household members. The Repayment Agreement must be executed by the Chief of Housing Choice Voucher & Public Housing Programs or designee.

Payments may only be accepted in the form of a money order or cashier's check and should be made to the order of the Howard County Housing Commission.

The repayment agreement will be considered in default when a payment is delinquent 10 calendar days after the day that the payment was due. Consequently, the family's assistance will be terminated unless the HCHC receives the outstanding balance of the Repayment Agreement in full within thirty calendar days of the termination notice. The outstanding balance must be current as of the date that the payment is received. If the delinquency notice was sent in April and the payment is not made until May, then the payment must be current as of May 1st not April 1st in order to be considered current.

The family will not be allowed to catch up a late payment if there have been more than 2 delinquencies within a 12 month period. The family will be requested to pay the balance in full or be terminated from the Housing Choice Voucher Program.

Monthly payments may be decreased, and the repayment agreement restructured in cases of family hardship when requested with reasonable notice from the family. Verification of the hardship must be presented to the Chief of Housing Choice Voucher & Public Housing Programs for approval.

Requests to move to another unit while the repayment agreement is in default **will not** be approved until the debt is paid in full. This is not the case if the repayment agreement is current and if the one of the following is the reason for the move:

- Family size exceeds the HQS maximum occupancy standards;
- The HAP contract is terminated due to owner non-compliance or opt-out; or
- A natural disaster or government action.

Accumulation of Additional Debt

If repayment agreement is in place and the family incurs an additional debt to the HCHC, the HCHC will not enter into another repayment agreement with the family or restructure the existing repayment agreement to accommodate the debt. The family will be required to pay the current debt in full and continue to make timely payments on the current repayment agreement to continue program participation.

If the family incurs a new debt and the current repayment agreement is in arrears or default, the family will be required to pay both debts in full to continue program participation.

F. OWNER DEBTS TO THE HCHC [24 CFR 982.453(b)]

If the HCHC determines that the owner has retained HAP or Claim Payments the owner is not entitled to, the HCHC may reclaim the amounts from future HAP or Claim Payments owed the owner for any units under contract.

If future HAP or Claim Payments are insufficient to reclaim the amounts owed to the HCHC will:

- Require the owner to pay the amount in full within 30 days;
- Pursue collections through the local court system; or
- Restrict the owner from future participation.

G. WRITING OFF DEBTS

Debts will be written off if:

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- A debtor's whereabouts are unknown and the debt is more than one year old;
- A determination is made that the debtor is judgment proof;
- The debtor is deceased;
- The debtor is confined to an institution indefinitely or for more than three years; or
- The amount is less than \$500 and the debtor cannot be located.