OPERATIONS MANUAL

ADMINISTRATIVE AGENTS MAY REQUISITION ANY VHDA FORM REFERENCED WITHIN THIS MANUAL FROM VHDA. PLEASE FAX YOUR REQUEST TO: CINDY HOLSAPPLE, SPECIAL PROGRAMS – (804) 343-8496.

WHERE POSSIBLE, THE OPERATIONS MANUAL PROVIDES A DIRECT WEB LINK TO THE HUD WEBSITE TO ACCESS FEDERAL REGULATIONS AND HUD FORMS.

ANY REVISIONS TO THIS DOCUMENT PRIOR TO JUNE 2002 ARE OBSOLETE.

CHAPTER 100: OVERVIEW OF VHDA 14

110: GENERAL OVERVIEW OF VIRGINIA HOUSING DEVELOPMENT AUTHORITY 15
120: PROGRAM DESCRIPTION – HOUSING CHOICE VOUCHER PROGRAM 16
121: PROGRAM DESCRIPTION - MODERATE REHABILITATION PROGRAM 18
130: OPERATIONS MANUAL 19
140: PROGRAM IMPLEMENTATION 20
150: PROGRAM FUNDING 21
160: PROGRAM ADMINISTRATION 22

CHAPTER 200: RECORD KEEPING SYSTEMS 25

210: METHOD OF FILING 26
211: INDEX OF FILES 27
221: INACTIVE STATUS CLASSIFICATION 28
230: HOUSING CHOICE VOUCHERS ISSUED BUT NOT UNDER CONTRACT 29
240: LEASING CONTROL CARDS 30
250: LOCALITY LEASING CONTROL CARD 31
270: GOVERNMENT DATA COLLECTION AND DISSEMINATION PRACTICES ACT REQUIREMENTS 32
280: RECORDS MAINTENANCE REQUIREMENTS 34
281: CONTENTS OF LOCALITY FAMILY FILES-NEW CASES 35

CHAPTER 300: OUTREACH 40

310: INTRODUCTION TO OUTREACH 41
320: IMPLEMENTATION 42
321: FINANCIAL OBLIGATIONS 43
322: MATERIALS PROVIDED BY VHDA 44
323: PLACEMENT OF OUTREACH MATERIALS 45
324: COMMUNITY CONTACTS 46
325: SPECIAL OUTREACH EFFORTS 47
326: POSTING OF ADMISSION CRITERIA 48
329: ADVERTISING FOR PUBLIC HEARINGS 49
330: NEWSPAPER ADVERTISING 50
331: RADIO ADVERTISING 54
332: BROCHURE ADVERTISING 56

CHAPTER 400: INTAKE 57

410: COMPLETING THE PRELIMINARY APPLICATION..... 58
415: SCREENING THE PRELIMINARY APPLICATION: OVERVIEW..... 60
416: SCREENING THE PRELIMINARY APPLICATION RE: INCOME LIMITS..... 61
417: SCREENING THE PRELIMINARY APPLICATION RE: FAMILY DEFINITION..... 64
419: SCREENING THE PRELIMINARY APPLICATION RE: INACTIVE STATUS CLASSIFICATION 66
420: SCREENING THE PRELIMINARY APPLICATION RE: AGE REQUIREMENTS..... 67
422: DENYING ASSISTANCE FOR CRIME OR ALCOHOL ABUSE BY FAMILY MEMBERS 68
430: ADMISSION POLICIES AND PREFERENCES..... 73
450: NON-CITIZEN RULE: GENERAL OVERVIEW 74
451: NON-CITIZEN RULE: DEFINITIONS 75
452: NON-CITIZEN RULE: GENERAL RESTRICTIONS ON ASSISTANCE 77
453: NON-CITIZEN RULE: LANGUAGE BARRIERS..... 79
454: NON-CITIZEN RULE: SUBMISSION OF EVIDENCE FOR CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS 80
455: NON-CITIZEN RULE: DOCUMENTS OF ELIGIBLE IMMIGRATION STATUS 84
456: NON-CITIZEN RULE: VERIFICATION OF ELIGIBLE IMMIGRATION STATUS 86
457: NON-CITIZEN RULE: DELAY, DENIAL OR TERMINATION OF ASSISTANCE 88
458: TYPES OF PRESERVATION ASSISTANCE AVAILABLE TO MIXED FAMILIES AND OTHER FAMILIES..... 92
459: NON-CITIZEN RULE: PRORATION OF ASSISTANCE..... 95
460: NON-CITIZEN RULE: PROHIBITION OF ASSISTANCE TO NON-CITIZEN STUDENTS 97
461: NON-CITIZEN RULE: COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS 98
462: NON-CITIZEN RULE: PROTECTION FROM LIABILITY FOR RESPONSIBLE ENTITIES, STATE, LOCAL AND TRIBAL GOVERNMENT AGENCIES AND OFFICIALS..... 99
463: NON-CITIZEN RULE: LIABILITY OF INELIGIBLE FAMILIES FOR REIMBURSEMENT OF BENEFITS 100

472: WAITING LIST-ADMISSION POLICY 101
480: WAITING LIST-GENERAL REQUIREMENTS..... 102
481: WAITING LIST-ASSISTANCE TARGETED BY HUD 103
482: WAITING LIST-ADMINISTRATION 104
483: WAITING LIST-DIFFERENT PROGRAMS..... 109
484: WAITING LIST-USE OF PREFERENCES..... 111
486: WAITING LIST-METHOD OF SELECTION 113
488: WAITING LIST-DRUG RELATED CRIMINAL EVICTION .. 114
489: WAITING LIST-FAIR HOUSING REQUIREMENTS 115
490: WAITING LIST-RESIDENCY PREFERENCE..... 116
495: NOTIFYING THE FAMILY OF INITIAL INELIGIBILITY.... 117
496: NOTIFYING THE FAMILY OF INITIAL ELIGIBILITY 120
497: SUSPENSION OF TAKING APPLICATIONS..... 123
498: RESUMING APPLICATION TAKING 124
499: UPDATING THE WAITING LIST..... 126

CHAPTER 500: APPLICANT PROCESSING..... 130

511: COMPLETING THE RELASE OF INFORMATION / PRIVACY ACT NOTICE (HUD-9886)..... 131
515: VERIFICATION OF INCOME, FAMILY COMPOSITION, EXPENSES AND OTHER RELATED INFORMATION 132
516: METHODS OF VERIFICATION..... 136
517: ELIGIBILITY FACTORS TO VERIFY AND SAMPLE VERIFICATION FORMS..... 138
518: DETERMINING ANNUAL INCOME..... 180
519: INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS..... 192
522: DETERMINING A FAMILY'S ASSETS 193
523: DETERMINING AN ELDERLY/DISABLED FAMILY'S MEDICAL EXPENSES 195
524: DETERMINING A FAMILY'S CHILD CARE EXPENSES 198
525: DETERMINING A FAMILY'S DEDUCTION FOR DEPENDENT ALLOWANCE..... 199
526: DETERMINING ELDERLY HOUSEHOLD DEDUCTION 200
527: DETERMINING A FAMILY'S ELIGIBILITY FOR DISABILITY ASSISTANCE EXPENSES 201
528: SUBSIDY STANDARDS 202
530: DETERMINING THE TOTAL TENANT PAYMENT OR TOTAL FAMILY CONTRIBUTION 206
540: MAXIMUM NUMBER OF OUTSTANDING VOUCHERS 208

541: NOTIFYING THE FAMILY OF SUBSIDY ISSUANCE..... 210
542: FAMILY OBLIGATIONS..... 214
543: ILLEGAL DISCRIMINATION..... 218
545: PROVIDING THE FAMILY BRIEFING-HOUSING CHOICE VOUCHERS..... 219
546: CONTENTS OF THE HOUSING CHOICE VOUCHER HOLDER'S PACKET..... 222
547: PROVIDING THE FAMILY BRIEFING - MOD REHAB..... 225
548: PROVIDING THE FAMILY BRIEFING-PROJECT-BASED CERTIFICATES..... 228
549: EXTENSION AND SUSPENSION OF THE VOUCHER..... 231
550: PROVIDING INFORMATION ABOUT FAMILY TO OWNER..... 236

CHAPTER 600: LEASING..... 238

610: SUBMISSION OF REQUEST FOR TENANCY APPROVAL... 239
611: PREPARING THE REQUEST FOR TENANCY APPROVAL/MODERATE REHABILITATION/PROJECT-BASED CERTIFICATE LEASE REQUEST..... 240
612: ADMINISTRATIVE AGENT APPROVAL TO LEASE UNIT..... 245
613: COLLECTION OF RECORDED DEED FROM OWNER..... 246
614: PREPARATION OF THE LEASE..... 247
622: SECURITY DEPOSIT PROVISIONS..... 250
623: DETERMINATION OF THE CONTRACT RENT AND OTHER CHARGES IN ADDITION TO THE RENT..... 251
624: UTILITY ALLLOWANCE DETERMINATION..... 254
626: TYPES OF ELIGIBLE HOUSING..... 256
627: RENTINGTO RELATIVES..... 261
631: CONFLICT OF INTEREST..... 262
632: DETERMINING HOUSING QUALITY STANDARDS COMPLIANCE..... 264
633: DETERMINING RENT REASONABLENESS..... 265
635: $0 HAP PAYMENT FOR UNIT SELECTED..... 268
636: VHDA/ADMINISTRATIVE AGENT OWNED UNITS..... 269
637: PROHIBITION AGAINST OTHER HOUSING SUBSIDY..... 270
638: DISAPPROVAL OF OWNER..... 271
639: OWNER RESPONSIBILITY FOR SCREENING FAMILIES.. 272
640: NOTIFYING THE OWNER AND FAMILY OF LEASE REQUEST STATUS..... 273

641: NOTIFYING OWNER AND FAMILY OF DISAPPROVED LEASE REQUEST 274
642: NOTIFYING OWNER AND FAMILY OF AN APPROVED LEASE REQUEST 276
662: COMPUTING THE PAYMENT PORTIONS OF IGRs 279
663: UTILITY REIMBURSEMENT PAYMENT (URP) 280
670: PREPARING THE HAP CONTRACT 281
672: PREPARING THE ADDENDUM TO OWNER'S LEASE 282
673: PREPARING THE INDEPENDENT GROUP RESIDENCE ADDENDUM 283
681: EXECUTING-HAP CONTRACT, LEASE AND ADDENDUM 284
683: OWNER RESPONSIBILITIES 286
691: SUBMISSION DEADLINES 287
693: NOTIFICATION OF VHDA LEASE APPROVAL/REVISIONS TO DOCUMENTS 288
694: NOTIFICATION TO OWNER AND FAMILY OF VHDA LEASE DISAPPROVAL/PROGRAM INELIGIBILITY 289
695: DOUBLE PAYMENT TO OWNERS/FAMILIES 290
696: PAYMENTS TO FAMILIES/OWNERS 291

CHAPTER 700: INSPECTIONS 292

700: PERFORMANCE AND ACCEPTABILITY REQUIREMENTS-GENERAL 293
712: SANITARY FACILITIES 295
714: FOOD PREPARATION AND REFUSE DISPOSAL 296
716: SPACE AND SECURITY 297
718: THERMAL ENVIRONMENT 298
720: ILLUMINATION AND ELECTRICITY 299
722: STRUCTURE AND MATERIALS 300
724: INTERIOR AIR QUALITY 301
726: WATER SUPPLY 302
728: LEAD-BASED PAINT REQUIREMENTS 303
729: DISCLOSURE OF LEAD-BASED PAINT HAZARDS 317
730: ACCESS 324
732: SITE AND NEIGHBORHOOD 325
734: SANITARY CONDITION 326
736: SMOKE DETECTORS 327
740: HIGHER HQS STANDARDS 328
745: HQS-SPECIAL HOUSING TYPE REQUIREMENTS 330
750: INSPECTION FORMS 335

755: CONDUCTING INITIAL INSPECTIONS..... 336
760: CONDUCTING ANNUAL INSPECTIONS 339
765: CONDUCTING INTERIM INSPECTIONS 341
766: QUALITY CONTROL INSPECTIONS 342
770: NOTIFYING THE OWNER OF HQS VIOLATIONS..... 345
775: ABATEMENT OF HAP PAYMENTS DUE TO HQS VIOLATIONS 347
780: FOLLOW-UPS ON OWNER REPAIRS 348
785: CONDUCTING MOVE-OUT INSPECTIONS: MODERATE REHABILITATIN/PROJECT BASED CERTIFICATES 349
786: CONDUCTING MOVE-OUT INSPECTIONS: HOUSING CHOICE VOUCHER PROGRAM 350
791: TERMINATION OF HAP CONTRACT DUE TO HQS: MODERATE REHABILITATIN/PROJECT BASED CERTIFICATES..... 351
792: HQS FAMILY OBLIGATIONS..... 352
795: INSPECTION CHARGES..... 353

CHAPTER 800: ANNUAL RECERTIFICATIONS..... 354

801: ANNUAL RECERTIFICATION NOTIFICATION PROCESS 355
802: ANNUAL RECERTIFICATION AND THE EFFECTS OF AN INTERIM REPORTING REQUEST..... 361
803: REMAINING MEMBER OF ASSISTED TENANT FAMILY .. 363
804: TERMINATING HOUSING CHOICE VOUCHER PROGRAM HAP CONTRACT WHEN THE UNIT IS TOO BIG OR TOO SMALL 365
806: DETERMINING OVERCROWDED/UNDER OCCUPIED CONDITIONS FOR MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATE UNITS 366
807: DETERMINING PAYMENT STANDARDS FOR HOUSING CHOICE VOUCHERS 367
808: DETERMINING AFFORDABILITY ADJUSTMENTS 368
809: ZERO HAP PAYMENTS FOR HOUSING CHOICE VOUCHER FAMILIES..... 369
810: ZERO HAP PAYMENTS FOR MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATE FAMILIES 372
814: DENIAL OF PARTICIPANT'S REQUEST TO MOVE 374
815: FAMILY BREAKUP 376
816: FAMILIES WHO WISH TO MOVE WITH CONTINUED TENANT - BASED ASSISTANCE..... 377

817: MODERATE REHABILITATION OR PROJECT-BASED CERTIFICATE PARTICIPANT RELOCATES WITHIN THE SAME MULTIFAMILY STRUCTURE 378
818: TERMINATION OF ASSISTANCE DUE TO DELINQUENT PAYMENTS PER THE AGREEMENT TO REPAY 379
820: REVIEWING PROPOSED CONTRACT RENTS FOR HOUSING CHOICE VOUCHERS 380
823: APPLICATION OF THE ANNUAL ADJUSTMENT FACTOR (AAF)- MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATES 381
824: RENT INCREASES AND RENT REASONABLENESS FOR HOUSING CHOICE VOUCHERS 382
828: REQUESTING APPROVAL FROM HUD FOR A SPECIAL ADJUSTMENT - MODERATE REHABILITATION 383
830: REQUESTING APPROVAL FROM HUD FOR A SPECIAL ADJUSTMENT - MODERATE REHABILITATION 384
850: PROCESSING THE ANNUAL RECERTIFICATION 386
855: PROVIDING THE VIRGINIA LANDLORD AND TENANT ACT (VLTA) HANDBOOK UPON REQUEST 388
860: NOTIFYING THE FAMILY OF RIGHT TO REQUEST AN INFORMAL HEARING IF ASSISTANCE IS REVISED OR TERMINATED 389
865: DOUBLE PAYMENTS TO OWNERS/FAMILIES 390
870: SUBMISSION OF DOCUMENTS- FOR ANNUAL RECERTICATION..... 391
872: SUBMISSION DEADLINES 392
874: CONTENTS OF FAMILY FILES AT ADMINISTRATIVE AGENT'S OFFICE 393
875: MANDATORY EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES 396
876: DETERMINING WHETHER THE FAMILY IS QUALIFIED FOR THE INCOME EXCULSION..... 399
877: CALCULATIONS AND TRACKING FOR THE MANDATORY EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES 400
878: FAMILY REPORTING AND INTERIM RECERTIFICATIONS REGARDING THE MANDATORY EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES..... 404

CHAPTER 900: REVISIONS DURING THE HAP CONTRACT TERM 405

910: INTERIM REPORTING REQUIREMENTS 406
912: INCREASES IN INCOME 411
916: REDUCTION OF FAMILY'S PORTION 412
920: HAP CONTRACT RENT ADJUSTMENTS 413
921: UTILITY ALLOWANCE ADJUSTMENTS 414
930: REVISIONS DURING HAP CONTRACT TERM 415
935: VOUCHER PAYMENT STANDARDS FOR INTERIMS..... 416
937: FAMILY BREAK-UP 417

CHAPTER 1000: TERMINATIONS 418

1000: TERM OF ASSISTED TENANCY 419
1002: OWNER TERMINATION OF TENANCY 421
1006: LEASE TERMINATION BY FAMILY 431
1008: TERMINATION OF HOUSING ASSISTANCE PAYMENTS . 432
1009: ABSENCE FROM UNIT 437
1010: DENIAL OR TERMINATION OF ASSISTANCE 439
FOR A FAMILY 439
1012: DENIAL OR TERMINATION OF ASSISTANCE 443
FOR A FAMILY 443
1013: TERMINATION: ZERO HAP 447
1014: TERMINATION: UNIT IS TOO BIG OR SMALL 448
1015: TERMINATION: MOVE WITH CONTINUED TENANT-BASED ASSISTANCE 449
1016: TERMINATION: INSUFFICIENT FUNDING 451
1018: TERMINATION: OWNER AND FAMILY RESPONSIBILITY 452
1020: TERMINATION: OWNER BREACH OF CONTRACT 454
1022: TERMINATION: OWNER BREACH OF CONTRACT – MODERATE REHABILITATION PROGRAM 455
1024: TERMINATION OF ASSISTANCE DUE TO MODERATE REHABILITATION HAP CONTRACT EXPIRATION..... 456
1026: TERMINATION OF HAP CONTRACT: EXPIRATION AND OPT-OUT 457
1040: CONDUCTING INFORMAL REVIEWS FOR APPLICANTS. 459
1041: CONDUCTING INFORMAL HEARINGS FOR PARTICIPANTS..... 461

CHAPTER 1100: OWNER CLAIMS 466

1112: VACANCY- MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATE PROGRAMS..... 467

1114: UNPAID RENT AND TENANT DAMAGES 469
1118: SECURITY DEPOSIT PROVISIONS 470
1120: COMPLETION OF CLAIM FORMS 471
1140: NOTIFICATION TO FAMILY REGARDING RECEIPT OF A CLAIM 474
1141: PLACING FAMILIES ON INACTIVE STATUS BECAUSE OF CLAIMS 477
1142: CLAIMS: REPAYMENT AGREEMENTS AND THE ISSUE OF RECEIVING ASSISTANCE 478
1144: INFORMATION PROVIDED TO OTHER PUBLIC HOUSING AUTHORITIES REGARDING CLAIMS AND DEBTS 482

CHAPTER 1200: SPECIAL PROBLEMS WITH OWNERS AND FAMILIES 483

1210: CHECK PROBLEMS 484
1211: FAILURE OF OWNER TO RECEIVE HAP PAYMENT 485
1212: FAILURE OF FAMILY TO RECEIVE UTILITY REIMBURSEMENT PAYMENT 486
1213: REISSUANCE OF STALE-DATED CHECKS TO OWNERS... 487
1214: NOTIFYING VHDA OF OWNER/FAMILY NAME/ADDRESS CORRECTIONS 488
1215: NOTIFYING OWNERS & FAMILIES OF LATE CHECKS..... 489
1220: PROGRAM OMISSIONS OR ERRORS 490
1221: PROGRAM ABUSE 491
1280: HANDLING INFORMATION REQUESTS ON BEHALF OF FAMILIES 494
1290: PROCESSING HOUSING DISCRIMINATION COMPLAINTS 495

CHAPTER 1300: ACCOUNTING AND REPORTING REQUIREMENTS 496

1310: SOURCES OF INCOME 497
1311: ACCOUNTING RECORDS 498
1312: CHART OF ACCOUNTS 500
1340: ADMINISTRATIVE FEE INCOME 509

CHAPTER 1400: PORTABILITY 510

SEE CHAPTER 1400 REVISION OCTOBER 2003

CHAPTER 1500: ENHANCED VOUCHERS 512

1500: GENERAL OVERVIEW 513
1501: GENERAL PROGRAMMATIC POLICIES FOR ALL HOUSING CONVERSION ACTIONS 514
1502: IMPORTANT DATES 515
1503: COMMON TENANT-BASED PROGRAM ISSUES 516
1504: ENHANCED VOUCHER REQUIREMENTS FOR OWNER OPT-OUTS 518
1505: ENHANCED VOUCHER REQUIREMENTS FOR PRESERVATION PROPERTIES 520
1506: ENHANCED VOUCHER REQUIREMENTS FOR PRESERVATION ELIGIBLE SECTION 236 PROPERTIES 522
1507: FAMILY ELIGIBILITY FOR ENHANCED VOUCHER ASSISTANCE WHERE THERE IS NO INITIAL HAP, AND THE FAMILY WISHES TO STAY IN THE PROJECT. 523
1508: SPECIAL CONDITIONS OF ENHANCED VOUCHER ASSISTANCE 524
1509: OVERSIZED UNITS 525
1510: ENHANCED VOUCHER MINIMUM RENT REQUIREMENT FOR STAYERS 526
1511: SIGNIFICANT DECLINE IN FAMILY INCOME 527
1512: CALCULATING HAP FOR STAYERS – ENHANCED VOUCHER ASSISTANCE 528
1513: SPECIAL CONDITIONS FOR FAMILIES CURRENTLY ASSISTED UNDER THE SECTION 8 TENANT-BASED PROGRAMS 529
1514: CONTINUATION OF THE ENHANCED VOUCHER SPECIAL CONDITIONS 530
1515: ENHANCED VOUCHER PAYMENT STANDARD 531
1516: CHANGES IN ENHANCED VOUCHER FAMILY SIZE 532
1517: APPLICABILITY OF SUBSEQUENT ENHANCEMENTS AND VOUCHER HOUSING SUBSIDY CALCULATIONS FOR PRESERVATION VOUCHERS AND CERTIFICATES PROVIDED IN FISCALYEARS 1997-1999 534
1518: CONVERSION OF REGULAR HOUSING CHOICE VOUCHERS TO ENHANCED VOUCHERS – SECTION 8 PROJECT-BASED HAP CONTRACT TERMINATIONS & EXPIRING MODERATE REHABILITATION CONTRACTS 536

1519: ADMINISTERING ENHANCED VOUCHER ASSISTANCE 539

CHAPTER 100: OVERVIEW OF VHDA

CHAPTER: OVERVIEW OF VHDA

110: GENERAL OVERVIEW OF VIRGINIA HOUSING DEVELOPMENT AUTHORITY

EFFECTIVE DATE: October 1999

The Virginia Housing Development Authority was created by the General Assembly in 1972, in response to growing public concern as to housing conditions in Virginia, and as a result of the report and recommendations of the Virginia Housing Study Commission.

Virginia Housing is a political subdivision of the Commonwealth, governed by a nine-member Board of Commissioners consisting of seven Gubernatorial appointees and, as ex-officio members, the State Treasurer and the Chairman of the Board of the Department of Housing and Community Development.

Virginia Housing is authorized to issue and sell its short-term bond anticipation notes and long-term revenue bonds that are to be secured by mortgage loans. As Virginia Housing is a governmental entity, its securities are tax-exempt "municipal" obligations that can be marketed at favorable interest rates. The proceeds of sale of the notes and bonds may be employed for the making of mortgage loans for the construction and operation of low and moderate income housing, at below-market interest rates.

In fulfilling its legislative mandate to assist in providing decent, safe, and sanitary housing that is affordable by low and moderate income Virginians, Virginia Housing finances, subsidizes and oversees a variety of types of housing programs in the single family and multifamily areas.

CHAPTER: OVERVIEW OF VHDA

120: PROGRAM DESCRIPTION – HOUSING CHOICE VOUCHER PROGRAM

EFFECTIVE DATE: September 1999

The Housing Choice Voucher Program, funded by the U. S. Department of Housing and Urban Development (HUD), is intended to provide low-income families with decent, safe and sanitary housing at prices that they can afford. Generally, housing is considered affordable if the family does not have to spend more than a HUD-determine percentage of its adjusted income for gross shelter, i.e., rent and utilities.

Virginia Housing recognizes that the construction of new housing units is not always an appropriate or attainable solution to the housing needs of low-income families in all areas of the Commonwealth. For this reason, the Program has been implemented in urban as well as rural areas, and has proven feasible and successful in the more than ninety areas that are currently participating. In many cases, in order to participate in the Program, property owners have improved or rehabilitated existing housing stock to bring it up to housing quality standards. Housing assistance payments, therefore, have enabled families to move from their present residences to ones that are of higher quality or are more suited to their needs. Despite limited incomes and rent increases, participants are able to stay in their current housing with the housing assistance provided to them. Finally, in many localities, Administrative Agents are working in conjunction with various other community organizations to provide related services, such as budget counseling, family planning, senior citizen aid, and employment opportunities.

Step-by-Step Program Operation

- Administrative Agent conducts Outreach to owners and families.
- Family completes Preliminary Application.
- If eligible based on Preliminary Application, family and Administrative Agent complete HUD Certification and other related forms.
- Administrative Agent verifies income, family composition, medical and child care expenses and determines Total Tenant Payment.
- Family is issued a Voucher good for sixty days, and receives a Family Briefing from the Administrative Agent.
- Family locates housing and submits required forms to Administrative Agent.
- Administrative Agent meets with owner of housing to explain the Program and completes an inspection of the unit.

- Administrative Agent approves the unit, and determines rent reasonableness of a unit.
- Family and owner execute Lease; Owner signs Housing Assistance Payments Contract.
- Administrative Agent completes all necessary paperwork and submits it to Virginia Housing for final approval by the required deadline.
- Owner receives monthly rental payments from Virginia Housing and/or from the family, as applicable.
- In some instances, the family receives a Utility Reimbursement from Virginia Housing.

121: PROGRAM DESCRIPTION - MODERATE REHABILITATION PROGRAM

EFFECTIVE DATE: October 1999

The Moderate Rehabilitation Program is a spin-off from the tenant-based Voucher Program. It works basically the same except the subsidy is tied to the unit rather than to a family. The Moderate Rehabilitation Program works particularly well in localities that have adequate rental stock but that needs rehabilitation work in order to meet Housing Quality Standards. The Moderate Rehabilitation Program was designed to:

1. Rehabilitate rental units that are substandard or have major building components, which would need repair or replacement;
2. Provide a rental income to an owner that will repay rehabilitation costs, meet monthly operating expenses, and allow a reasonable profit on the owner's investment in the property; and
3. Provide rental subsidies to income eligible families.

Upon completion of all required improvements to the unit(s), VHDA and the owner will execute a fifteen-year Housing Assistance Payments (HAP) Contract. This Contract establishes the rent for the unit(s) and describes the rights and responsibilities of the owner and VHDA throughout the fifteen-year term.

The Program is no longer accepting applications from owners as the Program is only funded to fulfill the 15-year contract obligations.

CHAPTER: OVERVIEW OF VHDA

130: OPERATIONS MANUAL

Effective Date: December 1997

This Operations Manual describes HUD's and VHDA's policies, forms, procedures, and assignment of responsibilities required for the administration of the tenant-based and some project-based Programs.

The Manual is to be used as a guide for the performance of the Administrative Agent's day-to-day responsibilities. The policies and procedures contained in the Manual have been established to ensure an effective, efficient and successful Program. As such, all Administrative Agents are expected to be familiar with and adhere to these policies and procedures. Should the Administrative Agent have any questions concerning the intent or meaning of any of these policies, please contact the VHDA staff members assigned to the locality.

Several points concerning the Manual are noted below:

- The Local Information and Phase Data Sheets for each locality are important documents for the Program. They contain necessary information to process the subsidy contracts. Periodically, VHDA updates the data for locality use.
- Links to all forms to be used in the administration of the Program(s) are contained within the Policy section to which they pertain.
- The Manual contains, among other items, samples of correspondence for your use when writing to owners and families. Since the sample letters are only suggested forms to use, you may alter them to fit your locality's needs, or substitute them for forms that are already in use in your agency. (For example many Social Service Departments have developed their own forms for income verification, and use them instead of the sample letters VHDA has supplied).
- Sample Letters contained in the Manual should be typed on the locality’s letterhead.
- Portions of this Operations Manual which use the verbs "shall" and "must" are requirements that must be followed. The verbs "should" and "may" are used to indicate advice.
- Policy revisions become effective only as directed by policy memorandums or updates issued by VHDA. Numbers assigned to policies and/or forms denote the chapter and policy number that applies. For example, Policy number 320 means that the Policy is contained in the 300 Chapter, Policy 320. Form number 8-320-1 denotes that the form is discussed in Policy 320.

140: PROGRAM IMPLEMENTATION

EFFECTIVE DATE: October 1999

Each year Virginia Housing may apply for and receive Housing Assistance funds from HUD. Acting as a Statewide Housing Authority, and working in conjunction with local Administrative Agents, Virginia Housing administers the Programs directly, using only HUD funds. None of Virginia Housing's bond proceeds, fees, or interest income is used in the operation of the Programs.

Virginia Housing generally administers the Programs in cities and counties where there is no local Housing Authority, or where the local Housing Authority is not contracting directly with HUD to operate the Program, or where the Housing Authority subcontracts VHDA's services.

Implementation of the Program in a locality is achieved in the following way:

- Virginia Housing contacts those localities that have indicated an interest in participating in the Program(s).
- The local governing body indicates a willingness to accept the Program(s) and designates a local agency to act as Administrative Agent.
- If HUD allocates funding to Virginia Housing, an application for the locality is submitted to HUD for approval.
- If HUD approves the application, Virginia Housing and HUD enter into an Annual Contributions Contract (ACC), which provides funding for the Program.
- Virginia Housing and the local Administrative Agent sign an Administrative Services Contract (8-140-1) and other contractual documents for a term of one year. The Agreement is renewable every year thereafter while there is still Contract Authority available and if the Administrative Agent has performed satisfactorily.
- After executing the legal documents, the Administrative Agent initiates Program operations, commencing with outreach.

150: PROGRAM FUNDING

EFFECTIVE DATE: October 1999

The Annual Contributions Contract (ACC) between HUD and Virginia Housing provides funding for Housing Assistance Payments on behalf of the families participating in the Program, as well as funding to cover administrative expenses incurred during Program operations.

The Administrative Services Agreement signed by Virginia Housing and the Administrative Agent provides funds to be used by locality to offset expenses incurred during Program operations.

160: PROGRAM ADMINISTRATION

EFFECTIVE DATE: OCTOBER 1999

VHDA's Special Programs Department is responsible for administering the Housing Assistance Payments Programs under the direction of the Director of Special Programs.

The staff includes Officers who are responsible for certain geographic areas of the state and direct the Administrative Agents in the localities assigned. Specialists are responsible for processing all paperwork submitted by the Administrative Agents resulting in monthly Housing Assistance Payments to owners. The staff also includes accountants and other administrative and supportive staff.

Under the terms of the ACC, Virginia Housing is ultimately responsible to HUD for the successful administration of the Program in each of the participating localities. Nevertheless, the joint efforts and adherence to Program regulations between VHDA and the Administrative Agent will ensure the success of the Program.

Under the terms of the Administrative Services Agreement, Virginia Housing will provide the following services:

- Provide information to Administrative Agents to use in outreach to owners and families, and pay for the costs of media advertising within the budgeted amount as approved.
- Provide final review of Contracts by staff and computer programs prior to issuing payments.
- Make computerized Housing Assistance Payments to owners and Utility Reimbursements to families as applicable by the first of each month.
- Review and approve owner claims as submitted by the Administrative Agents.
- Administer and enforce Housing Assistance Payments Contracts with owners.
- Train the Administrative Agent and provide the Administrative Agent with current VHDA forms, policies, and procedures.
- Ensure compliance with Equal Opportunity requirements, including the Administrative Agents, efforts to provide opportunities for families seeking housing outside areas of economic and racial concentration.
- Ensure compliance with HUD's procedures and policies for Program administration and fiscal reporting by establishing internal audits on a sample of Contracts (i.e. confirmation letters, computer reports and reconciliation changes).
- Review the locality's administration of the Program, to include unit inspections and audited Contracts for accuracy of payments at regularly scheduled intervals.

The Administrative Agent is responsible for implementing and administering the Program locally by performing the following responsibilities, as specified in the Administrative Services Agreement.

Services provided by the Administrative Agent:

- Provide outreach to owners and families to interest them in Program participation, including media advertising.
- Invite owners to make dwelling units available by direct contact with landlords or associations.
- Complete the appropriate forms for each family to determine eligibility, based on information from the Preliminary Application and other forms and the family.
- Verify income, assets, family composition, medical and unusual expenses.
- Maintain a Waiting list of eligible families.
- Refer families from the Waiting List to vacant Moderate Rehabilitation, or Project-based Certificate units as appropriate.
- Issue Vouchers to eligible families, as needed, and conduct a Family Holder's Briefing for each participant.
- Determine rent reasonableness; inspect the dwelling unit.
- Determine the amounts of the Tenant Rent and the Housing Assistance Payment.
- Explain Program procedures to owners, including those who have been approached by Voucher Holders.
- Complete the necessary paperwork for submission of Requests for Tenancy Approval to Virginia Housing by the required deadline in order to assure owners/families of payments in a timely manner.
- Re-examine family income and redetermine amount of rent at least annually.
- Perform inspection of rental property at least annually and as requested by the family, owner, or VHDA.
- Inform owners of proper eviction proceedings; complete and submit to Virginia Housing the necessary paperwork for processing owner claims.
- Notify families and owners of any changes in the Housing Assistance Payment Contract.
- Maintain family folders and other records to ensure program efficiency and accuracy.
- Inventory non-expendable equipment purchased with preliminary funds at least annually.
- Ensure compliance with Equal Opportunity requirements, including efforts to provide opportunities for families seeking housing outside areas of economic and racial concentration.
- Maintain a folder of all outreach efforts including copies of ads run, copies of mass mailings, etc.
- Advise participating families of other support services available in the community.

- Maintain all forms and reports according to the requirements of the Virginia Privacy Protection Act.

CHAPTER 200: RECORD KEEPING SYSTEMS

210: METHOD OF FILING

EFFECTIVE DATE: June 2002

File folders, preferably legal size, are to be established for all families that apply to the Program unless the volume of the information pertaining to the family does not necessitate such a need. The family's name should be listed on the tab. Information within the folder must be maintained in a consistent order, preferably in VHDA filing order with revisions on top. VHDA can provide additional insight into setting up the family files if required. It assists VHDA in doing audits if a standard method is adopted.

Separate files may be maintained for each family. All year's work prior to the current year should be secured together by year. Correspondence can be kept together or within the year's work to which it pertains.

CHAPTER: RECORD KEEPING SYSTEMS

211: INDEX OF FILES

EFFECTIVE DATE: June 2002

The following Index of Files may be used to set up a filing system. Other methods are permitted provided information provides a clear audit trail on a family from the point of application to termination.

Method of Filing	Title of File
Alpha	Preliminary Applications Received
Alpha	Applications Rejected/Canceled
Determined by Admission Policy	Waiting List
Alpha	Applications Pending Verifications
Alpha	Pending Voucher Issuance
Alpha	Vouchers Issued But Not Under HAP Contract
Alpha	Vouchers Expired/Canceled
Alpha	Pending Lease Approval
Alpha	Pending VHDA Lease Approval
Transmittal #	Transaction Transmittal
Alpha	Certificates/Vouchers Under Contract
Alpha	HAP Contracts Terminated/Canceled
Alpha	Inactive Status Classification
Date (most recent information on top)	Advertising/Outreach
Bedroom Size	Rent Reasonableness Information

221: INACTIVE STATUS CLASSIFICATION

EFFECTIVE DATE: December 1997

Persons who have been placed on Inactive Status in accordance with Policy 424 must be flagged/tagged and their file placed in the Inactive Status Classification section of the filing system until such classification is rescinded.

230: HOUSING CHOICE VOUCHERS ISSUED BUT NOT UNDER CONTRACT

EFFECTIVE DATE: December 1997

In order to monitor the number of Housing Choice Vouchers issued but not under HAP Contract, a listing should be kept. Reference should be made to Policy 540 for instructions regarding how to maintain the list. Other tracking methods are acceptable provided the system gives and documents the number issued.

240: LEASING CONTROL CARDS

EFFECTIVE DATE: June 2002

In order to keep an accurate record of the number of units leased, the Administrative Agent *may* complete Leasing Control Cards (8-560-1).* Information pertaining to current assisted family should be completed in pencil at the bottom of the Card since the information may change. When the assistance is terminated on behalf of a family, the information on the bottom of the Card is transferred to the top of the Card. There should be as many Cards as there are units allocated. If over-leasing should occur, additional Cards may be established; however, through attrition, the need for such Cards should be eliminated.

Cards filed in a Visible Record System is the preferred method of maintaining cards should you elect to use a card system.

Other methods are permitted provided information provides a clear audit trail on a family from the point of application to termination.

*A sample is available but is not supplied nor required by VHDA.

250: LOCALITY LEASING CONTROL CARD

EFFECTIVE DATE: June 2002

A Locality Leasing Control Card* (8-651-1) may be maintained on behalf of each locality by increment. This Card must be updated as leasing situations change; therefore, it is suggested that the information be maintained in pencil.

The Card is to be maintained with the Housing Choice Voucher number assigned at the beginning of each increment within the Visible Record System.

Other methods are permitted provided information provides a clear audit trail on a family from the point of application to termination.

*A sample card is available but is not supplied or required by VHDA.

270: GOVERNMENT DATA COLLECTION AND DISSEMINATION PRACTICES ACT REQUIREMENTS

EFFECTIVE DATE: June 2002

In accordance with the provisions of the Government Date Collection and Dissemination Practices Act (Title 2.2 Chapter 38 of the Code of Virginia, 1950, as amended), Virginia Housing has taken certain precautions to guard the confidentiality of the information it collects in determining the eligibility of applicants for the housing programs in which it participates. Consequently, Virginia Housing must require the Administrative Agents to regard all information regarding applicants, from whatever source, as confidential and subject to the requirements of the Act. Virginia Housing is requiring all Administrative Agents to do the following:

1. Post notice of compliance with the Government Data Collection and Dissemination Practices Act on the file cabinets containing information on applicants listing names of those persons who are authorized to use the information on the file cabinets.

   Sample: These files are maintained in accordance with the Government Data Collection and Dissemination Practices Act. Any access of these files by persons other than those listed below will be noted accordingly and made a permanent part of the files accessed. (List the names of the individuals who have access. Usually this list will be limited to the Program Worker, the Program worker's supervisor, the clerical support, and authorized VHDA and HUD representatives. This listing cannot be used to give general access to the agency administering the Program beyond the scope of Program administration. Information obtained from the files for use elsewhere in the agency must be so noted in the family's folder).

2. Place a memo in the file of each applicant whose file is accessed by a person other than the ones listed as authorized on the file cabinet. The information should include the following:

   A. The name of the person accessing the file;

   B. The purpose for which the file was accessed;

   C. The information requested and given; and

   D. The fact that notice of the Act was given to such person and that reasonable assurance was offered that the information would be maintained in compliance with the Act.

3. Have all applicants who complete a HUD-50058-Family Report, read and sign the HUD-9886-Authorization for Release of Information/Privacy Act Notice. Have the applicant retain a copy and keep a copy for the applicant's folder.

4. Store applicant folders in filing cabinets that can be locked.

280: RECORDS MAINTENANCE REQUIREMENTS

EFFECTIVE DATE: June 2002

All information relating to families must be maintained by the Administrative Agent until such time as destruction of the information is allowed. Family information may be destroyed after three years has passed from the last date of action and/or the termination date.

Information pertaining to families on which claims have been paid or families that owe money to VHDA for program errors (intentional or unintentional) must be maintained until three years after amounts owed are paid in full. Family information must be destroyed by incineration, shredding, or other means that will render the information not legible.

CHAPTER: RECORD KEEPING SYSTEMS

281: CONTENTS OF LOCALITY FAMILY FILES-NEW CASES

EFFECTIVE DATE: June 2002

Forms for NEW cases in the <u>Housing Choice Voucher</u> Program must be maintained in the Family's folder in the order as listed below:

- Family Portability Information (HUD-52665)
- Housing Choice Voucher HAP Contract (HUD-52641)-- original
- *Lease Addenda -- copy
- VHDA Lease Agreement (8-621-2) or Owner's Lease -- copy with original signatures
- *Tenancy Addendum; Section 8 Tenant-based Housing Choice Voucher Program (HUD-52641-A) -- copy
- *Lead Based Paint Disclosure (8-729-1) -- original
- Certificate of Rent Reasonableness (8-633-1) -- original
- Inspection Checklist (HUD- 52580) -- original
- Allowances for Tenant-Furnished Utilities and Other Services HUD-52667) -- original
- Request for Tenancy Approval (HUD-52517) -- original
- Voucher (HUD 52646) -- original
- Family Report (HUD-50058) -- copy
- Verifications (includes local preference verification) --originals
- *Remaining Member of a Tenant Family Certification --original
- Authorization for Release of Information/Privacy Act Notice (HUD-9886)--original
- Preliminary Application (8-410-1) -- original

- Citizen Rule Declarations (8-454-1 or 2) -- original
- All other forms/notices/letters/correspondence regarding the case

Forms for NEW cases in the <u>Moderate Rehabilitation</u> Program must be maintained in the Family's folder in the order as listed below:

- Lease Agreement -- copy with original signatures
- *Other Addenda -- copy
- Inspection Checklist (HUD- 52580) -- original
- Unit Data Sheet -- copy
- Statement of Family Responsibility (HUD-52578) -- original
- Family Report (HUD-50058) -- copy
- Verifications (includes local preference verification) -- originals
- *Remaining Member of a Tenant Family Certification -- original
- Authorization for Release of Information/Privacy Act Notice (HUD-9886)—original
- Preliminary Application (8-410-1) -- original
- Citizen Rule Declarations (8-454-1 or 2) -- original
- All other forms/notices/letters/correspondence regarding the case

Forms for NEW cases in the <u>Project-Based Certificate</u> Program must be maintained in the Family's folder in the order as listed below:

- Lease Agreement -- copy with original signatures
- *Lead Based Paint Disclosure (8-729-1) -- original
- *Project-Based Certificate Lease Addendum (HUD-52530C) -- copy with original signature
- *Other Addenda -- copy
- Inspection Checklist (HUD- 52580) -- original
- Unit Data Sheet -- copy
- Statement of Family Responsibility (HUD-52578-B) -- original
- Family Report (HUD-50058) -- copy
- *Pro-rated Payments Worksheet (8-661-1) -- copy
- Verifications (includes local preference verification) --originals
- *Remaining Member of a Tenant Family Certification --original
- Authorization for Release of Information/Privacy Act Notice (HUD-9886)—original
- Preliminary Application (8-410-1) -- original
- Citizen Rule Declarations (8-454-1 or 2) -- original

All other forms/notices/letters/correspondence regarding the case Forms for NEW cases in the <u>Independent Group Residence (IGR) Voucher</u> Program must be maintained in the Family's folder in the order as listed below:

- Family Portability Information (HUD-52665)
- Voucher HAP Contract (HUD-52641 -- copy
- *Other Addenda – copy
- Lease Agreement -- copy with original signatures

- *Tenancy Addendum; Section 8 Tenant-based HCV Program (HUD-52641-A) -- copy
- Lease Agreement executed between the Service Agency and Owner – copy
- Addendum to the Lease-IGR Supportive Services Agreement (8-673-1) – copy
- *Lead Based Paint Disclosure (8-729-1) -- original
- Certificate of Rent Reasonableness (8-633-1) -- original
- Inspection Checklist (HUD- 52580) -- original
- Attachment C for the Inspection Booklet -- copy
- Allowances for Tenant-Furnished Utilities and Other Services HUD-52667) – original
- Request for Tenancy Approval (HUD- 52517) -- original
- Voucher (HUD 52646) -- original
- Family Report (HUD-50058) -- copy
- IGR Fact sheet -- copy
- Verifications (includes local preference verification) -- originals
- *Remaining Member of a Tenant Family Certification -- original
- Authorization for Release of Information/Privacy Act Notice (HUD-9886) – original
- Preliminary Application (8-410-1) -- original
- Citizen Rule Declarations (8-454-1 or 2) -- original
- All other forms/notices/letters/correspondence regarding the case
- *Remaining Member of a Tenant Family Certification --original
- Preliminary Application -- original
- Authorization for Release of Information/Privacy Act Notice -- original

- All other forms/notices/letters/correspondence regarding the case

*As Applicable

CHAPTER 300: OUTREACH

CHAPTER: OUTREACH

310: INTRODUCTION TO OUTREACH

EFFECTIVE DATE: December 1997

Outreach is best described as the efforts of the Administrative Agent to interest and inform owners and families of the Program by utilizing paid media advertising, Public Service Announcements, community contacts, and other methods outlined in the locality's Equal Opportunity Housing Plan (8-310-1). Outreach is one of the most important responsibilities of the Administrative Agent and should be conducted in a comprehensive manner, according to the guidelines set forth in the locality's Equal Opportunity Housing Plan.

A locality that has been allocated Vouchers in support of Family Self-Sufficiency, Family Unification or a targeted population may have specific outreach efforts as directed by the Action Plan.

VHDA provides a locality with an advertising budget and materials to use in outreach, and it is the Administrative Agent's responsibility to utilize both in an efficient and effective manner. But the most important outreach tool is the Administrative Agent's ability to present the Program in a cohesive and comprehensive manner to the community. This is particularly true when conducting one-to-one discussion and small group presentations to the real estate community. The Program has many inducements to interest the owners and property managers, and they should be made aware of them. Localities that experience problems in achieving owner participation should request assistance from VHDA.

CHAPTER: OUTREACH

320: IMPLEMENTATION

EFFECTIVE DATE: December 1997

Whenever initial units are allocated to a locality, public notice must be made in the newspaper(s) as described in the HUD-approved Equal Opportunity Housing Plan. If additional units are given to a locality, public notice must be made if there are an insufficient number of eligible applicants on the Waiting List.

The following information must be included in the notice.

1. Where to apply;
2. A brief description of the Program and a Statement that assistance may be received where the family currently resides;
3. A statement that occupants of and applicants to public housing and other assisted housing must specifically apply for participation in the Housing Choice Voucher Program; and
4. A statement that applicants for the Program will not lose their place on the public housing waiting lists.
5. Announce the availability of Vouchers as appropriate.

All outreach efforts required by the Equal Opportunity Housing Plan must be documented, including paid advertising, public notice advertisements, and contact made with any required organizations. Documentation of all outreach conducted must be submitted to VHDA. Additionally, copies of the advertising material must be placed in the Outreach folder established in the filing system.

321: FINANCIAL OBLIGATIONS

EFFECTIVE DATE: December 1997

All advertising soliciting family and/or owner participation in the program must be approved by VHDA prior to printing. Requests for approval must contain estimated costs of the proposed advertising. Copies of the ad, bill and receipt must be forwarded to VHDA for payment. VHDA will reimburse the Administrative Agent; VHDA should not be billed directly. If payment by the Administrative Agent poses a problem, contact should be made with VHDA.

It is the Administrative Agent's responsibility to remain within reasonable limits.

322: MATERIALS PROVIDED BY VHDA

EFFECTIVE DATE: December 1997

VHDA has provided the Administrative Agent with sample newspaper advertising copy and layouts; sample radio announcements; camera-ready Equal Opportunity Logos for use in print advertising (must be requested from VHDA); and Owner and Family Brochures for the Administrative Agent's distribution. All of this information is discussed in Policies 330, 331 and 332. If the Administrative Agent wishes to alter newspaper or radio advertising, or develop and pay for the costs associated with the printing of a special insert to use in conjunction with the brochures already provided, prior approval must be obtained from VHDA.

323: PLACEMENT OF OUTREACH MATERIALS

EFFECTIVE DATE: December 1997

The Administrative Agent is responsible for placing all newspaper ads and radio announcements by contacting the newspapers and radio stations listed in the locality's Equal Opportunity (EO) Housing Plan. The Administrative Agent will also distribute outreach brochures according to the procedures outlined in the EO Plan. All distribution efforts involving the placement of outreach materials must be documented in writing, forwarding a copy to VHDA, and maintaining a copy in the Outreach folder.

CHAPTER: OUTREACH

324: COMMUNITY CONTACTS

EFFECTIVE DATE: December 1997

The Administrative Agent is responsible for contacting owners, community service agencies, and other community groups, as listed in the locality's EO Plan. It is necessary for the Administrative Agent to have a comprehensive understanding of the Program, and sufficient knowledge to be able to explain it accurately and thoroughly before meeting with these groups.

All contacts with community groups should be recorded in writing, forwarding a copy to VHDA, and placing a copy in the Outreach folder.

325: SPECIAL OUTREACH EFFORTS

EFFECTIVE DATE: December 1997

If a locality is experiencing difficulty convincing owners to participate, the Administrative Agent must conduct special outreach in accordance with the procedures outlined in the locality's EO Plan. Outreach may include conducting meetings to which local Realtors, management companies, and owners would be invited to explain the Program. It is important that the benefits of the Program be explained in detail.

Likewise, if an Administrative Agent were having difficulties securing an adequate number of applicant families, the same would hold true. Special outreach efforts may include public meetings or appearance before groups with members that would be likely to be eligible for assistance and possibly the least likely to apply.

326: POSTING OF ADMISSION CRITERIA

EFFECTIVE DATE: June 2000

Certain admission eligibility criteria are to be posted in the waiting area where applications are taken in each office. The following are to be posted for view by all applicants:

- Equal Opportunity Housing Poster (HUD-928-1)
- Income Limits
- Definitions of Local preferences

CHAPTER: OUTREACH

329: ADVERTISING FOR PUBLIC HEARINGS

EFFECTIVE DATE: June 2002

Administrative Agents must sponsor a local Public Hearing following VHDA's prescribed timeline and HUD's PHA Plan procedures, if they intend to make changes to existing policies regarding rent, admissions criteria or organization of the local waiting list as stated in their Addendum to VHDA's Administrative Plan. The proposed change(s) must be advertised in the locality's local newspaper to give the public an opportunity to comment at a scheduled Public Hearing. Agents must follow the advertising procedures outlined in Policy 330 (Newspaper Advertising) in order to be reimbursed by VHDA for the cost of this advertising.

CHAPTER: OUTREACH

330: NEWSPAPER ADVERTISING

EFFECTIVE DATE: December 1997

To prepare and place newspaper advertising in order to attract:

- Families
- Owners

the following procedures should be utilized:

A. Refer to the appropriate sample copy and layout provided on the following pages.
B. Type the copy on a clean page, double-spaced, filling in the locality's address and phone number where indicated on the sample.
D. Choose from among the different sample headlines provided in the sample owner ads, depending on the locality's rental market. Generally, owner ads need to be run more often than family or elderly/persons with disabilities ads.
E. Suggested ad placement is the real estate section of the newspaper in the Thursday and/or Sunday editions. Refer to the locality's EO Plan for the newspapers to be utilized.
F. Send the newspaper a clean, typed (doubled-space) copy of the sample ad and one EO Logo (the newspaper will keep the logo on file for future use). Specify dimensions of the ad (see sample layout for guidelines). Request a price quote.
G. Contact VHDA to obtain prior approval. The cost of the ad must be stated in the request.
H. If VHDA approved, place newspaper ads one or two at a time. Monitor the response before placing more ads (again requiring VHDA approval).
I. Review the newspaper's invoice for accuracy, pay the bill, and request reimbursement from VHDA by submitting a copy of the paid invoice and a copy of the ad as it appeared in the newspaper to VHDA.
J. If prepayment is infeasible arrangements should be made with the newspaper to bill VHDA directly, informing VHDA of such action. Advise the newspaper to send a copy of the ad as it appeared in the newspaper along with the invoice, mailed to the attention of VHDA – Special Programs. This method should only be followed in extreme circumstances.
K. Maintain a record of advertising money spent to date.
L. Maintain copies of ads placed in the Outreach folder.
M. No special newspaper advertising is required because a locality has Vouchers. However, if your Waiting List is not sufficient and you are readvertising, the notice must include a statement that your Program has Housing Choice Vouchers.

CAN WE HELP PAY YOUR RENT?

The Virginia Housing Development Authority (VHDA) is administering the Section 8 Rental Housing Assistance Payments Program for people who need help to pay the rent for housing located in (locality name).

Families are eligible for consideration if their income does not exceed Federally established limits for an area.

Persons presently on Waiting Lists for public housing or occupants of public housing must apply separately to this Program for participation. Current placement on public housing's Waiting List will not be affected should application be made to this Program.

If you qualify:

- You will pay an amount for rent to the landlord based on your income and rental unit you select.
- VHDA, with Federal funds, will pay a portion of your rent to the landlord.
- You may be able to stay in your present housing or you can choose a new place to live.

To find out more about the Housing Assistance Program, contact the local agent below:

Housing Assistance Office

(Street Address) _____

(City, State, ZIP) _____

(Area Code, Phone Number) ___

EQUAL OPPORTUNITY LOGO

Approximate Size: 1 column x 50 lines (count headline letters as two vertical lines; EO Logo as six vertical lines)

OWNERS AND MANAGERS: CAN WE HELP YOU FILL VACANT UNITS?

The Virginia Housing Development Authority (VHDA) is seeking referrals of quality rental property for lease to low income families through the Section 8 Rental Housing Assistance Payments Program in (locality name).

If your lease with the tenant is approved, you will sign a Contract with Virginia Housing Development Authority.

Under the Contract, your advantages include:

- Rental of vacant units
- Selection of tenants from qualified applicants
- VHDA, with Federal Funds, automatically pays a substantial portion of the rent directly to you

To find out more about the Housing Assistance Program, contact the local agent listed below:

Housing Assistance Office

(Street Address) EQUAL

(City, State, ZIP) OPPORTUNITY

(Area Code, Phone Number) LOGO

Approximate Size: 1 column x 50 lines (count headline letters as two vertical lines; EO Logo as six vertical lines)

ALTERNATIVE HEADLINES-OWNERS

1) OWNERS AND MANAGERS:
DO YOU HAVE RENTAL PROPERTY IN
_____COUNTY/CITY?

2) OWNERS AND MANAGERS:
WOULD YOU LIKE TO COLLECT RENT ON TIME?

3) OWNERS AND MANAGERS:
YOUR RENTAL PROPERTY MAY QUALIFY
FOR THE HOUSING ASSISTANCE PROGRAM

CHAPTER: OUTREACH

331: RADIO ADVERTISING

EFFECTIVE DATE: December 1997

To make arrangements with local radio stations to broadcast announcements directed towards

- Families;
- Owners

the following procedures should be utilized:

1. Refer to the appropriate sample radio copy provided on the following pages.
2. Type the copy on a clean page, double-spaced, filling in the locality's phone number and city/county where indicated on the sample.
3. Choose from among the announcements depending on the emphasis required.
4. Contact the radio stations and minority radio stations listed on the locality's EO Plan. The stations should run the announcements free because they qualify as Public Service Announcements. However, if the stations have filled up their quota of PSAs, airtime may have to be bought. A price quote should be requested from the radio station if a charge will be assessed.
5. Contact VHDA to obtain prior approval, even if no cost will be incurred. If there is a charge, VHDA must be informed of the amount.
6. Review the radio's invoice when it arrives, if applicable, for accuracy, pay the bill, and request reimbursement from VHDA by submitting a copy of the paid invoice to VHDA – Special Programs.
7. If prepayment is not possible, arrangements should be made with the radio station to bill VHDA directly, informing VHDA of such action. Advise the station to send a copy of the invoice to VHDA – Special Programs. This method should only be followed in extreme circumstances.
8. Maintain a record of advertising money spent to date.
9. Maintain records of ads run in the Outreach folder.

(SAMPLE ANNOUNCEMENT- 45 seconds)

ANNOUNCER: Today you can get help paying the rent for housing located in (Locality Name) . If you qualify, you can choose your own place to live. Or perhaps stay where you are. You will pay no more than thirty percent of your monthly income for your housing costs. You must apply separately to this Program even if you are on the public housing Waiting List. To find out if you are eligible, call the Housing Assistance Office in (City/County at (Locality phone number) . This is an Equal Opportunity Housing Program.

(SAMPLE ANNOUNCEMENT -OWNERS-30 SECONDS)

ANNOUNCER: Owners and managers of rental property all share a common complaint: EMPTY UNITS. They don't help your cash flow. And the longer they stay empty, the more it hurts. Now you can fill those units with people who need and want a good place to live. Contact the Housing Assistance Office in (City/County at (Locality phone number) . If your property qualifies, you may have those units filled quickly. Call Locality phone number today to find out more. This is an Equal Opportunity Housing Program.

(SAMPLE ANNOUNCEMENT OWNERS -30 seconds)

ANNOUNCER: Rent collection is a common worry shared by owners and managers of rental property. You don't want to lose good tenants who might come up short some months. But it doesn't help your financial picture waiting for the rents to come in. Now you can keep those tenants and still be assured of prompt rental payments. Contact the Housing Assistance Office in (City/County . If your property qualifies, you'll be guaranteed a substantial portion of the rent each month. And you'll receive other benefits as well. Call Locality phone number today to find out more. This is an Equal Opportunity Housing Program.

(SAMPLE ANNOUNCEMENT- OWNERS)--(30 seconds)

ANNOUNCER: Now there is a housing assistance program in (City/County) that actually benefits landlords. A program that automatically pays a substantial portion of rent each month directly to the landlord. To find out more, call (Locality phone number). Call today. That number again: (Locality phone number). This is an Equal Opportunity Housing Program.

332: BROCHURE ADVERTISING

EFFECTIVE DATE: December 1997

Procedures to be followed by the Administrative Agent regarding the use of brochures developed by VHDA in order to attract Families and Owners to the Program are as follows:

Refer to the supply of brochures provided you by VHDA.

Fill in the locality's address and phone number inside the brochure in the space under "Housing Assistance Office."

Distribute the brochure in public areas and to service agencies and groups listed in your locality’s EO Plan. This brochure can also be mailed to prospective applicants.

Brochures can be mailed directly to prospective owners without using envelopes, distributed in person, and/or used in one-on-one meetings. Be sure to fill in the locality's address and phone number in the space provided.

Requisition brochures from VHDA as needed.

Maintain records of where/when brochures are placed in the Outreach folder.

CHAPTER 400: INTAKE

410: COMPLETING THE PRELIMINARY APPLICATION

EFFECTIVE DATE: June 2000

Preliminary Applications (8-410-1) are completed on all families that apply for the Program. Generally applications are taken in person, by mail, or by telephone if the Waiting List is open. Preliminary applications may be taken as follows:

- on a continual basis
- specific times of day, week, month
- quarterly, biweekly, monthly etc.
- specific time periods to meet the admission needs

The Preliminary Application is used due to the volume of applications and because families are generally placed on the Waiting List. The final application (HUD Form - 50058) could be some time away, and circumstances will not be verified at the intake stage. The Preliminary Application will assist in the initial screening process and provide information to determine preference status and a preliminary eligibility assessment.

Always accept the preliminary application (unless Waiting List is closed), even if it is clear the family is not eligible. Do not make the family feel they should not apply even if it appears they are not eligible.

Note the date and time the Preliminary application was received on the Preliminary Application. The Preliminary Application and any additional information or correspondence will be placed in a Family File.

VHDA's policy in this area is to allow the Administrative Agent to determine how they will accept applications (i.e., through the mail and/or in person). The Administrative Agent must ensure that their admission policies address the application process that they have elected, and provides accommodation for accepting applications from the elderly and/or disabled.

WAITING LIST INFORMATION

Administrative Agents must use the VHDA preliminary application or an approved facsimile that must include at a minimum the following information:

- Applicant name and application number;
- Current applicant address and phone number;
- Family unit size;
- Age and gender of family member(s) who will live in the unit;
- Any local preference(s) the applicant claims;
- Racial or ethnic designation of the head of household;

- Social Security Number for the head of household only (this information is required to ensure that duplicate applications are not entered onto the waiting list);
- Date and time application received.

Applications missing any of this information will not be processed, and the applicant will be so notified by mailing to the address provided on the application. Corrected applications will not be accepted after the waiting list is closed unless the applicant can demonstrate mitigating circumstances.

CHAPTER: INTAKE

415: SCREENING THE PRELIMINARY APPLICATION: OVERVIEW

EFFECTIVE DATE: January 1996

Eligibility for participation is based on the following:

A. Income Limits (Policy 416)
B. Inactive Status Classification (Policy 419)
C. Age Requirements (Policy 420)
D. Citizenship Status (Policy 452)
E. Crime or alcohol Abuse by a Family Member (Policy 422)

Families must still be considered eligible at the time they lease a unit even though they may have been issued a Voucher. If their situation has changed and they are no longer eligible, their Voucher must be withdrawn. A HAP Contract is not approved until the AA signs it. Therefore, should a family become ineligible at any time prior to the effective date, the HAPC will not be approved.

Families found to be ineligible for any reason must be sent the Sample Letter - Notice of Initial Ineligibility found in Policy 495. This notice informs families of the reason for the ineligibility determination and their right to request an informal review. A copy of the letter must be filed in the family's folder.

CHAPTER: INTAKE

416: SCREENING THE PRELIMINARY APPLICATION RE: INCOME LIMITS

EFFECTIVE DATE: January 1998

The Administrative Agent may only admit an eligible family that is income-eligible.

- To be income eligible, the family must be either be:

    - an **extremely low-income** family (at or below 30 percent of median income);
    - a **very low-income** family (31 – 50 percent of median income) or
    - a **low-income** family (51 – 80 percent of median income) in any of the following categories:

        A. A low-income family that is "continuously assisted" under the 1937 Housing Act.

        B. A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.

        C. A low-income non-purchasing family residing in a HOPE 1 (HOPE for Public and Indian Housing Homeownership) or HOPE 2 (HOPE for Homeownership of Multifamily Units) project.

        D. A low-income non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173.

        E. A low-income family displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contact under 24 CFR 248.165.

        F. A low-income family residing in a HUD-owned multifamily rental housing project when HUD sells, forecloses or demolished the project (24 CFR 982.201).

The Administrative Agent determines whether the family is income-eligible by comparing the family's annual income (gross income) with the HUD-established very low-income limit or low-income limit for the area. There is one condition that qualifies this income determination. The applicable income limit for **issuance** of a Voucher when a family is selected for the program is the **highest income limit** (for the family unit size) in the state of Virginia. VHDA is a statewide Housing Authority, therefore, we must use the HIGHEST INCOME LIMIT IN OUR AREA OF OPERATION; that is, the Washington D.C. MSA area.

The income limits are revised annually and published by HUD as a **Federal Register Notice.**

- The applicable income limit for **admission as an applicant** to the program is the income limit for the area where the family is **initially assisted** in the program. **The family may only use the Voucher to rent a unit in an area where the family is income eligible at admission to the program.** In this case (admission means going under HAPC), the family will need to meet the income limit where they are assisted. This income limit issue will need to be explained in detail to the Family by the Administrative Agent.

- *The applicable income limit when working with portability:*

  - ***APPLICANT:*** *If a family is <u>not a current participant</u> in the initial HA Voucher program, the applicable income limit for admission to the receiving HA or Voucher program <u>is the receiving HA income limit for the area where the family will be initially assisted</u> in the program. The family may only use the Voucher to lease a unit in an area where the family is income-eligible at admission to the receiving HA program.*

  - ***Continuously assisted***. An <u>applicant</u> is considered continuously assisted under one of the following 1937 Housing Act programs if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the Voucher program. The following are 1937 Housing Act programs:

    a) Public housing or Indian housing

    b) any Section 8 program (including assistance under a Section 8 tenant-based (Certificate/Voucher) or project-based program)

    c) Section 23 housing assistance payments program

    d) Section 23 leased housing program

To determine whether a family is continuously assisted under the 1937 Housing Act, the Housing Authority must establish policies concerning whether and to what extent a brief interruption between assistance under one of these programs and <u>admission</u> to the Voucher program (tenant-based program) will be considered to break continuity of assistance. **VHDA has elected to allow a 30-calendar day break in assistance.**

Therefore, if an <u>applicant</u> is requesting admission to the Voucher program, then we can consider an applicant as continuously assisted if they meet the 30-day break from another program (even the Voucher program). The policy allows flexibility to deal with brief breaks that do not interrupt the essential continuity of 1937 Act assistance to the family.

INCOME-BASED ADMISSION FOR MOD REHAB UNITS:

The Administrative Agent may not select a family for admission in an order different from the offer on the Waiting List for the purpose of selecting a relatively higher income family for admission.

INCOME TARGETING [24 CFR 982.201(2)]

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the AA will reserve a minimum of 75% of its Section 8 new admissions for families whose income does not exceed 30% of the area median income. HUD refers to these families as "extremely low-income families." The AA will admit families who qualify under the Extremely Low-Income limit to meet the income-targeting requirement, regardless of preference.

The AA's income targeting requirement does not apply to low-income families continuously assisted as provided for under the 1937 Housing Act.

The AA is also exempted from this requirement where the AA is providing assistance to low-income or moderate-income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

CHAPTER: INTAKE

417: SCREENING THE PRELIMINARY APPLICATION RE: FAMILY DEFINITION

EFFECTIVE DATE: June 2000

VHDA has "pre-approved", but does not require, local preferences for applicant families of one or two members that are headed by an elderly or disabled family, or a single or two-member displaced family, over any other single or two-member applicant. It is the Administrative Agent's responsibility to determine if the applicant(s) qualify for this preference. The following definitions are applicable:

A. Persons with Disabilities. A disabled person is any of the following:

- has a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423) defined as the
  1) Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or
  2) In the case of an individual who has attained the age of 55 and is blind and unable by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.
- has a developmental disability as defined in Section 102(b)(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) which defines developmental disability in functional terms as a severe, chronic disability that:
  1) Is attributable to a mental and/or physical impairment or combination of mental and physical impairments;
  2) Is manifested before age 22;
  3) Is likely to continue indefinitely;
  4) Results in substantial functional limitations in 3 or more of the following areas of major life activity:

     Capacity for independent living; self-care; receptive and responsive language; learning; mobility; self-direction; economic Self-Sufficiency; and reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong

or extended duration and are individually planned and coordinated.

- has a physical, mental or emotional impairment that
  1) is expected to be of long-continued and indefinite duration,
  2) substantially impedes his or her ability to live independently, and
  3) is of such a nature that such ability could be improved by more suitable housing conditions.

B. Elderly Household. A family whose head or spouse or whose sole member is at least sixty-two years of age, or a Person with Disabilities as defined in this section or may include two or more elderly, or persons with disabilities living together or one or more such persons living with another person who is determined to be essential to his/her care and well-being. The household may consist of one person or more than one person

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

D. Displaced Person. A person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

E. Remaining Member of a Tenant Family. An individual remaining in a unit when other member(s) of an assisted family have moved out.

F. Family. A family is defined as:

1) a single person or a group of persons

2) a single person who is:

   an elderly person

   a displaced person

   a person with disabilities

   any other single

3) a family with a child or children

4) a child who is temporarily away from the home because of placement in foster care is considered a member of the family

5) a group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides

6) any other group of persons qualifies as a family as long as the Administrative Agent determines them a family. HUD does not define other groups of persons for the HA; therefore, the definition, should one be needed, will be defined by the Administrative Agent. VHDA's definition is that any group of persons that represent themselves as a family is a family. If a locality decides to define the group of persons differently, then you must provide a copy for VHDA's records and post your locality's definition along with the HUD definition. It is recommended that the locality have an attorney review your local definition.

CHAPTER: INTAKE

419: SCREENING THE PRELIMINARY APPLICATION RE: INACTIVE STATUS CLASSIFICATION

EFFECTIVE DATE: January 1996

Contact should be made to the locality (or Housing Authority) in which the family last participated in the Program, (only Section 8 or public housing under the U. S. Housing Act of 1937) if one was noted on the Preliminary Application Card. A review should be made of local records to determine if the family should be (or has been) placed on Inactive Status.

There are four areas that cause Inactive Status per VHDA policies:

1. If claims were paid on behalf of a family, the family must repay the entire amount owed VHDA or some other Housing Authority. The claim must document the amounts have been paid; as a pending claim is not sufficient for inactive status.
2. Families determined guilty of program abuse will be placed on Inactive Status for a length of time as determined by VHDA.
3. Families that never repay other amounts recognized by VHDA or another Housing Authority as owed.
4. Families that violate their lease by illegally moving/skipping or not providing adequate /proper notice of move-out will be on Inactive Status for one year.
5. Families that have been determined to have misrepresented information on the Preliminary Application will be on Inactive Status for one year.

All Inactive Status family folders must be filed in the Inactive Status section of the filing system until the status is cleared. Once the family has been removed from Inactive Status, they will then be allowed to reapply to the Program. If application taking has been suspended, they will have to wait until application taking has resumed.

Review the files with each Preliminary Application received to determine if claims have been paid an/or if there are other reasons why the family should be placed on Inactive Status. This procedure will help ensure that persons on Inactive Status locally will not be assisted.

Families must be notified in writing that they have been placed on Inactive Status if an eligibility determination has been requested.

CHAPTER: INTAKE

420: SCREENING THE PRELIMINARY APPLICATION RE: AGE REQUIREMENTS

EFFECTIVE DATE: December 1997

The age requirements for participating families are listed below:

1. In order for a family member to be considered elderly, the individual must be at least 62 years of age. In order for a family to be given elderly status, the head, spouse or sole member must be considered elderly (refer to Policy 526 for Elderly Household Allowance).

2. In housing targeted to special clientele, the agency responsible for the support services for the targeted clientele may not impose age requirements on issuance of the Voucher, unless the age requirements have been imposed or approved by HUD.

3. Vouchers or project-based subsidy shall not be issued to individuals under 18 years of age except:
    - emancipated minors; or
    - such other individuals under 18 years of age as specified in the Admission Policy of the Equal Opportunity Housing Plan for each locality.
    - The decision to lease a unit to someone under 18 years of age (even when subsidy is issued by an Administrative Agent) is the decision of the owner.

CHAPTER: INTAKE

422: DENYING ASSISTANCE FOR CRIME OR ALCOHOL ABUSE BY FAMILY MEMBERS

EFFECTIVE DATE: January 2002

CRIME OR ALCOHOL ABUSE BY FAMILY MEMBERS.

(a) The Administrative Agent/VHDA **must** deny/prohibit admission to the program for the following:

- If an applicant has been evicted from federally assisted housing for drug-related criminal activity, admission must be denied for a period of 3 years from the date of the eviction. However, the applicant may be admitted if:

  (1) it is determined that the household member that engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by VHDA; or

  (2) it is determined that the circumstances leading to eviction no longer exist (for example, the criminal household member is no longer a part of the household).

- If any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

- If any member of the household is subject to a lifetime registration requirement under a State sex offender program. The Administrative Agent must perform criminal history background checks necessary to determine whether any household member is subject to a lifetime sex offender registration requirement in the State where the housing is located and in other States where the household member(s) are known to have resided.

(b) *At any time* the Administrative Agent/VHDA **may** deny assistance to an applicant if any member of the family:

(1) Committed drug-related criminal activity defined as:

- Drug-trafficking (The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of

- Illegal use, or possession for personal use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

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

(3) Engaged in an abuse or pattern of abuse of alcohol that may interfere with the health or safety of the other residents or their right of peaceful enjoyment of the premises.

(c) denial is due to illegal use, or possession for personal use of, a controlled substance, such use or possession must have occurred within one year before the date the Administrative Agent/VHDA provides notice to the family of the determination to deny assistance. The Administrative Agent/VHDA may not deny assistance for such use or possession by a family member, if the family member can demonstrate that he or she:

(1) Has an addiction to a controlled substance, has a record of such an impairment, or is regarded as having such an impairment; and

(2) Is recovering, or has recovered from, such an addiction and does not currently use or possess controlled substances. The Administrative Agent/VHDA will require a family member who has engaged in the illegal use of drugs to submit evidence of participation in, or successful completion of, a treatment program as a condition to being allowed to reside in the unit.

(d) If denial of assistance is due to alcohol abuse, the Administrative Agent/VHDA must determine that there is reasonable cause to believe that:

(1) any member of the family abuses alcohol in a way that may interfere with the health or safety of the other residents or their right to peaceful enjoyment of the premises; or

(2) any member of the family has a *pattern of abuse* of alcohol that may interfere with the health or safety of the other residents or their right to peaceful enjoyment of the premises.

If denial of assistance is due to alcohol abuse as stated in (c) above, the Administrative Agent/VHDA may waive policies prohibiting admission in these circumstances if the family member demonstrates to the satisfaction of the Administrative Agent/VHDA that the family member is no longer engaging in abuse of alcohol and:

- has successfully completed a supervised alcohol rehabilitation program; or
- has otherwise been rehabilitated successfully; or

– is participating in a supervised alcohol rehabilitation program.

The Administrative Agent/VHDA will require the family member to submit evidence of participation in, or successful completion of, a supervised alcohol rehabilitation program or other evidence that the family member has been rehabilitated successfully.

(e) *Evidence of criminal activity or alcohol abuse.* In determining whether to deny assistance based on drug-related criminal activity, violent criminal activity, or alcohol abuse, the Administrative Agent/VHDA may deny assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested, convicted or charged with any activity.

Below are some conditions or circumstances related to denial of rental assistance to consider and apply:

1. VHDA may deny an *application*, refuse to place an *applicant* on the Waiting List, *refuse to issue* a Voucher/Mod Rehab subsidy to a family when their name has come to the top of the Waiting List, or *refuse to execute a Housing Choice Voucher Housing Assistance Payments Contract or place a family in a Mod Rehab/PBC unit*, if a member of the family has engaged in drug-related criminal activity or violent criminal activity or has abused alcohol in a way, or engaged in a pattern of abuse of alcohol, that may interfere with the health or safety of the other residents or their right to peaceful enjoyment of the premises.
2. The AA and VHDA shall have discretion to consider all of the circumstances in each case to determine the extent of participation by family members in the proscribed activity. In appropriate cases, the Administrative Agent/VHDA will permit the remaining members of the family to continue receiving assistance and will impose a condition that family members determined to have engaged in the proscribed activities will not reside in the unit.

Following are sample release forms that must be signed by each applicant and/or participant household member (age 18 and older) before criminal history checks may be obtained by the Administrative Agent:

SAMPLE – CRIMINAL HISTORY RECORD INFORMATION REQUEST

The *Criminal History Record Information Request* will be used to conduct a background inquiry on criminal history.

(Insert Administrative Agent's name) supports the "Screening and Eviction for Drug Abuse and Other Criminal Activity" federal regulation that was effective May 24, 2001. The regulation allows our agency to combat criminal violence and illegal drug activities in the Section 8 rental assistance programs. In an effort to ensure the safety and well being of program participants, and the communities they live in, (insert Administrative Agent's name) will screen new applicants from the waiting list (or from the waiting list of another Public Housing Agency as a result of portability or another VHDA Administrative Agent as a result of a transfer). Each household member age 18 and older will be subject to this requirement, and must sign and date the *Criminal History Record Information Request*.

In accordance with current HUD regulations, (insert Administrative Agent's name) may deny or terminate assistance if any member of the family commits drug-related criminal activity or violent criminal activity. (Insert Administrative Agent's name) may deny or terminate assistance if the preponderance of evidence indicates that a family member has engaged in such activity *regardless of whether the family member has been arrested or convicted*.

I, (insert printed applicant household member name) understand that as an applicant/participant household member that is at least age 18, I am subject to having a criminal history record inquiry conducted to determine the presence of any criminal activity. I also understand that this information will only be used to determine eligibility for admission to, or continued assistance, under any Section 8 program administered by (insert Administrative Agent's name).

_____ _____

Signature Date

SAMPLE – SEX OFFENDER RECORD INFORMATION REQUEST

The *Sex Offender Record Information Request* will be used to conduct a background inquiry to determine if an applicant household member is required under any State law to register as a lifetime sex offender.

(Insert Administrative Agent's name) supports the "Screening and Eviction for Drug Abuse and Other Criminal Activity" federal regulation that was effective May 24, 2001. In an effort to ensure the safety and well being of program participants, and the communities they live in, (insert Administrative Agent's name) will screen new applicants from the waiting list (or from the waiting list of another Public Housing Agency as a result of portability or another VHDA Administrative Agent as a result of a transfer). Each household member age 18 and older will be subject to this requirement, and must sign and date the *Sex Offender Record Information Request*.

In accordance with current HUD regulations, (insert Administrative Agent's name) must deny or terminate assistance if any member of the applicant household is required to register as a lifetime sex offender under any State law.

I, (insert printed applicant household member name) understand that as an applicant household member that is at least age 18, I am subject to having a criminal history record inquiry conducted as stated above. I also understand that this information will only be used to determine eligibility for admission to any Section 8 program administered by (insert Administrative Agent's name).

_____ _____

Signature Date

CHAPTER: INTAKE

430: ADMISSION POLICIES AND PREFERENCES

EFFECTIVE DATE: June 2000

EO Plans will include an Admission Policy for each office. The Admission Policy states how a locality will select families from the Waiting List and whether local preferences, any other permitted criteria will be applied.

In order to accommodate the special groups, special programs or targeted populations created over the years, each of the EO Plans will need to be revised to incorporate any unique selection criteria.

Local preferences that have been pre-approved by VHDA include the following:

- Victim/Witness Protection
- Displacement due to Domestic Violence
- Displacement to Avoid Reprisals
- Displacement due to Hate Crimes
- Displacement due to Inaccessibility of a Unit
- Preference over singles

Local Administrative Agents may also develop their own local preferences. These preferences must be submitted to VHDA in writing, and approved by VHDA prior to implementation.

CHAPTER: INTAKE

450: NON-CITIZEN RULE: GENERAL OVERVIEW

EFFECTIVE DATE: January 1996

Effective June 19, 1995, HUD implemented Section 214 of the Housing and Development Act of 1980, as amended. Section 214 prohibits VHDA from making housing assistance available to persons other than United States citizens, nationals, or certain categories of eligible noncitizens. HUD's Public Housing and Indian Housing Programs (including homeownership), the Housing Choice Voucher Program, the Housing Development Grants program, the Section 236 interest reduction and rental assistance program, the Rent Supplement Program, and the Section 235 homeownership program are all subject to this.

Additional information clarifications are contained in the HUD Handbook 7420.10 entitled *Citizenship Status* located at*:*

www.hudclips.org/sub_nonhud/html/pdfforms/7420g05.pdf

451: NON-CITIZEN RULE: DEFINITIONS

EFFECTIVE DATE: January 1996

***Child*.** A member of the family, other than the family head or spouse, who is under 18 years of age.

Citizen. A citizen or national of the United States.

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

HA. A housing authority, either a public housing agency or an Indian housing authority, or both.

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

***HUD*.** The Department of Housing and Urban Development.

***INS*.** The U.S. Immigration and Naturalization Service.

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

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

Noncitizen. A person who is neither a citizen nor national of the United States.

***Responsible entity*.** The person or entity responsible for administering the restrictions on providing assistance to noncitizens with ineligible immigration status:

- For the Section 8 Certificate, the Section 8 Housing Voucher, and the Section 8 Moderate Rehabilitation programs, the housing authority (HA) administering the program under an ACC with HUD (the Administrative Agent on behalf of VHDA).
- For all other Section 8 programs; the owner.

***Section 214*.** Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a). Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.

***Section 214 covered programs*.** Programs to which the restrictions imposed by Section 214 apply are programs that make available financial assistance pursuant to the United States Housing Act of 1937 (42 U.S.C. 1437-1440), Section 235 or

Section 236 of the National Housing Act (12 U.S.C. 1715z and 1715z-1) and Section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s).

CHAPTER: INTAKE

452: NON-CITIZEN RULE: GENERAL RESTRICTIONS ON ASSISTANCE

EFFECTIVE DATE: January 1996

ASSISTANCE PROVIDED UNDER A SECTION 214-COVERED PROGRAM IS RESTRICTED TO*:*

1. Citizens; or

2. Noncitizens who have eligible immigration status in one of the following categories:
   a) A noncitizen lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (INA), as an immigrant , as defined by section 101(A)(15) of the INA (8 U.S.C. 1101 (a) (20) and 1101 (a) (15), respectively (immigrants). (This category includes a noncitizen admitted under section 210 or 210A of the INA (8 U.S.C 1160 or 1161), (special agricultural worker), who has been granted lawful temporary resident status);

   b) A noncitizen who entered the United States before January 1, 1972, or such later date as enacted by law, and has continuously maintained residence in the United States since then, and who is not ineligible for citizenship, but who is deemed to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General under section 249 of the INA (8 U.S.C. 1259);

   c) A noncitizen who is lawfully present in the United States pursuant to an admission under section 207 of the INA (8 U.S.C. 1157) (refugee status); pursuant to the granting of asylum (which has not been terminated) under section 208 of the INA (8 U.S.C. 1158) (asylum status): or as a result of being granted conditional entry under section 203 (a)(7) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, o political opinion or because of being uprooted by catastrophic national calamity;

   d) A noncitizen who is lawfully present in the United States as a result of an exercise of discretion by the Attorney General for emergent reasons or reasons deemed strictly in the public interest under section 212 (d)(5) of the INA (8 U.S.C. 1182 (d)(5)) (parole status);

   e) A noncitizen who is lawfully present in the United States as a result of the Attorney General's withholding deportation under section 243 (h) of the INA (8 U.S.C. 1254 (h)) (threat to life or freedom); or

f) A noncitizen lawfully admitted for temporary or permanent residence under section 245 A of the INA (8 U.S.C. 1255a) (amnesty granted under INA 245A).

Family eligibility for assistance. A family shall not be eligible for assistance unless at least one member of the family residing in the unit is determined to have eligible status, as described in of this section. Despite the ineligibility of one or more family members, a mixed family may be eligible for one of the three types of assistance provided in Policy 459.

CHAPTER: INTAKE

453: NON-CITIZEN RULE: LANGUAGE BARRIERS

EFFECTIVE DATE: January 1996

For any notice or document (decision, declaration, consent form, etc.) that requires the Administrative Agent to provide to an individual, or requires that the Administrative Agent to obtain the signature of the individual, the Administrative Agent, where feasible, must arrange for the notice or document to be provided to the individual in a language that is understood by the individual if the individual is not proficient in English.

CHAPTER: INTAKE

454: NON-CITIZEN RULE: SUBMISSION OF EVIDENCE FOR CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS

EFFECTIVE DATE: June 2002

SUBMISSION OF EVIDENCE

Eligibility for assistance or continued assistance under a Section 214 covered program is contingent upon a family's submission to the Administrative Agent of the documents described below for each family member. If one or more family member(s) do not have citizenship or eligible immigration status, the family members may exercise the election not to contend to have eligible immigration status as provided in this section, and Policy 459 shall apply.

- *Evidence of citizenship or eligible immigration status.* Each family member, regardless of age, must submit the following evidence to the Administrative Agent:

  a) For citizens, the evidence consists of a signed declaration of U.S. citizenship;

  b) For noncitizens who are 62 years of age or older, the evidence consists of:

     - a signed declaration of eligible immigration status;
     - and proof of age document

  c) For all other noncitizens, the evidence consists of:

     - a signed declaration of eligible immigration status;
     - the INS document(s) listed in Policy 455
     - a signed verification consent form

Declaration. For each family member who contends that he or she is a U.S. citizen or a noncitizen with eligible immigration status, the family must submit to the responsible entity a written declaration, signed under penalty of perjury, by which the family member declares whether he or she is a U.S. citizen or a noncitizen with eligible immigration status.

- For each adult, the declaration must be signed by the adult
- For each child, the declaration must be signed by an adult residing in the assisted dwelling unit who is responsible for the child
- The Applicant Declaration is used as the declaration form.

***Verification Consent Form*.** Each noncitizen who declares eligible immigration status, must sign a consent form as follows:

- For each adult, the form must be signed by the adult.
- For the child, the form must be signed by an adult member of the family residing in the assisted dwelling who is responsible for the child.
- Verification Consent is used as the consent form.

Notice of Release of Evidence by Administrative Agent. The verification consent form shall provide that the Administrative Agent may release evidence of eligible immigration status, without responsibility for the further use or transmission of the evidence of the entity receiving it, to:

- HUD, as required by HUD; and
- The INS for purposes of verification of the immigration status of the individual.

Notice of Release of Evidence by HUD. The verification consent form also shall notify the individual of the possible release of evidence of eligible immigration status by HUD. Evidence of eligible immigration status shall only be released to the INS for purposes of establishing eligibility for financial assistance and not for any other purpose. HUD is not responsible for the further use or transmission of the evidence or information by the INS.

Individuals who do not contend to have eligible immigration status. If one or more members of a family elect not to contend that they have eligible immigration status and the other member(s) of the family establish their citizenship or eligible immigration status, the family may be considered for assistance under Policy 459; despite the fact that no declaration or documentation of eligible status is admitted by one or more members of the family. The family, however, must identify to the Administrative Agent, the family member(s) who will elect not to contend that he or she has eligible immigration status.

Notification of requirements of Section 214

1. *When notice is to be issued.* Notification of the requirement to submit evidence of citizenship, or eligible immigration status, as required by this section, or to elect not to contend that one has eligible immigration status as provided by this section, shall be given by the Administrative Agent.

2. *Form and content of notice.* The notice shall state that:

   - Financial assistance is contingent upon the submission and verification, as appropriate, of the evidence of citizenship or eligible immigration status, as required by this section;
   - Describe the type of evidence that must be submitted and state the time period in which that evidence must be submitted;

- State that assistance will be prorated, denied or terminated, as appropriate, upon a final determination of ineligibility after all appeals have been exhausted (see Policy 457 concerning INS appeal, and informal hearing process) or, if appeals are not pursued at a time to be specified in accordance with HUD requirements. Families already receiving assistance also shall be informed of how to obtain assistance under the preservation of families per Policy 458

.

When the evidence of eligible status is required to be submitted. The Administrative Agent shall require evidence of eligible status to be submitted at the times specified in this section, subject to any extension granted in accordance with this section.

- **Applicants and Additions to an Existing Household.** The Administrative Agent must ensure that evidence of eligible status is submitted not later than the date the Administrative Agent anticipates or has knowledge that verification of other aspects of eligibility for assistance will occur (i.e., evidence of eligible status is completed along with other verifications of eligibility-at the time of verification of income, federal preferences, addition to existing household, etc., when an applicant is pulled from the Waiting List).

Extension of time to submit evidence of eligible status. The Administrative Agent shall extend the time needed to supply evidence of eligible immigration status if the family member:

- Submits the declaration required under Policy 454 certifying that any person for whom required evidence has not been submitted is a noncitizen when eligible immigration status; and
- Certifies that the evidence needed to support a claim of eligible immigration status is temporarily unavailable, additional time is needed to obtain and submit the evidence, and prompt and diligent efforts will be undertaken to obtain the evidence.

Prohibition on indefinite extension period. Any extension of time, if granted, shall be for a specific period of time. The additional time provided should be sufficient to allow the family the time to obtain the evidence needed. The Administrative Agent's determination of the length of the extension needed shall be based on the circumstances of the individual case.

Grant or denial of extension to be in writing. The Administrative Agent's decision to grant or deny an extension as provided in this section shall be issued to the family by written notice. If the extension is granted, the notice shall specify the extension period granted. If the extension is denied, the notice shall explain the reasons for denial of the extension.

Failure to submit evidence or to establish eligible immigration status. If the family fails to submit required evidence of eligible immigration status within the time

period specified in the notice, or any extension granted in accordance with this section, or if the evidence is timely submitted, but fails to establish eligible immigration status, the Administrative Agent shall proceed to deny, prorate or terminate assistance, or provide continued or temporary deferral of termination of assistance, as appropriate, in accordance with Policy 457.

CHAPTER: INTAKE

455: NON-CITIZEN RULE: DOCUMENTS OF ELIGIBLE IMMIGRATION STATUS

EFFECTIVE DATE: January 1996

DOCUMENTS OF ELIGIBLE IMMIGRATION STATUS

The responsible entity or Administrative Agent shall request and review original documents of eligible immigration status. The Administrative Agent shall retain photocopies of the documents for its own records and return the original documents to the family. The following documents are acceptable evidence of eligible immigration status, subject to verification in accordance with Policy 456:

a) Form I-151, Alien Registrations Receipt Card (issued to lawful permanent residents prior to 1979). Form I-51 will no longer be valid after March 20, 1996. Detailed information on how and where to apply for a new green card may be obtained by telephoning the INS toll-free number: 1-800-755-0777.

b) Form I-551, Alien Registration Receipt Card (for permanent resident aliens);

c) Form I-94, Arrival Departure Record, with one of the following annotations:
   - Admitted as "Refugee Pursuant to Section 207":
   - “Section 208” or “Asylum”;
   - “Section 243(h)” or “Deportation stayed by Attorney General”;
   - “Paroled Pursuant to Sec. 212 (d)(5) of the INS”;

d) If Form I-94, Arrival-Departure Record, is not annotated, then it must be accompanied by one of the following documents:
   - A final court decision granting asylum (but only if no appeal is taken):
   - A letter from an INS asylum officer granting asylum (if application is filed on or after October 1, 1990) or from an INS district director granting asylum (if application filed before October 1, 1990);
   - A court decision granting withholding or deportation; or a letter from an asylum officer granting withholding of deportation (if application filed on or after October 1, 1990).

e) Form I-688, Temporary Resident Card, which must be annotated “Section 245A” or “Section 210”;

f) Form I-688B, Employment Authorization Card, which must be annotated “Provision of Law 274a.12(11)” or “Provision of Law 274a.12”;

g) A receipt issued by the INS indicating that an application for issuance of a replacement document for one of the above-listed categories has been made and the applicant’s entitlement to the document has been verified; or

h) If other documents are determined by the INS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the Federal Register.

CHAPTER: INTAKE

456: NON-CITIZEN RULE: VERIFICATION OF ELIGIBLE IMMIGRATION STATUS

EFFECTIVE DATE: January 1996

VERIFICATION OF ELIGIBLE IMMIGRATION STATUS

Verification of eligible immigration status shall be conducted by the Administrative Agent simultaneously with verification of other aspects of eligibility for assistance under a 214-covered program. The Administrative Agent shall verify eligible immigration status in accordance with the INS procedures described in this section.

Automated verification system.

Primary verification of the immigration status of the person is conducted by the Administrative Agent through the INS automated system (INS Systematic for Alien Verification for Entitlements (SAVE)). The INS SAVE system provides access to names, file numbers and admission numbers of noncitizens. Please refer to the HUD Housing Choice Voucher Program Guidebook section entitled *Citizenship Status* regarding the SAVE system located at:

www.hudclips.org/sub_nonhud?html/pdffors/7420g05.pdf

Failure of primary verification to confirm eligible immigration status. If the INS SAVE System does not verify eligible immigration status, secondary verification must be performed.

Secondary verification

Secondary verification is a manual search by the INS of its records to determine an individual's immigration status. The Administrative Agent must request secondary verification (within 10 days of receiving the results of the primary verification) if the primary verification system does not confirm eligible immigration status, or if the primary verification system verifies immigration status that is ineligible for assistance under a covered Section 214 covered program.

Secondary verification is initiated by the Administrative Agent by forwarding photocopies of the original INS documents listed in Policy 455 (front and back), attached to the INS document verification request form G-845S (Document Verification Request), or such other form specified by the INS, to a designated INS office for review (Form G-845S is available from the local INS Office).
If the secondary verification does not confirm eligible immigration status, the Administrative Agent shall issue to the family the notice described in Policy 457, which includes notification of appeal to the INS of the INS finding on immigration status.

The Administrative Agent shall not be liable for any action, delay, or failure of the INS in conducting the automated or manual verification.

CHAPTER: INTAKE

457: NON-CITIZEN RULE: DELAY, DENIAL OR TERMINATION OF ASSISTANCE

EFFECTIVE DATE: January 1996

Assistance to an applicant shall not be delayed or denied, and assistance to a participating family shall not be delayed, denied or terminated, on the basis of ineligible immigration status of a family member if:

a) The primary and secondary verification of any immigration documents that were timely submitted has not been completed;
b) The family member for whom required evidence has not been submitted has moved from the family's dwelling unit;
c) The family member who is determined not to be in an eligible immigration status following INS verification has moved from the family's dwelling unit;
d) The INS appeals process has not been concluded;
e) For a family, the informal hearing process has not been concluded;
f) Assistance is prorated in accordance with Policy 459;
g) Deferral of termination of assistance is granted in accordance with the HUD Housing Choice Voucher Program Guidebook 7420.10G in the section entitled *Citizenship Status* located at: www.hudclips.org/sub_nonhud/html/pdfforms/7420g05.pdf

Assistance to an applicant may be delayed after the conclusion of the INS appeal process, but not denied until the conclusion of the Administrative Agent of an informal hearing process, if the family is requesting an informal hearing. Assistance to an applicant shall be denied, and a family's assistance shall be terminated, in accordance with the procedures of this section, upon the occurrence of any of the following events:

1. Evidence of citizenship (i.e., the declaration) and eligible immigration status is not submitted by the date specified in Policy 454 or by the expiration of any extension granted in accordance with Policy 454; or
2. Evidence of citizenship and eligible immigration status of a family member is submitted, but the family does not pursue INS appeal or informal hearing rights as provided in this section; or INS appeal and informal hearing rights are pursued, but the final appeal or hearing decisions are decided against the family member and
    - The family does not pursue INS appeal or informal hearing rights as provided in this section; or
    - INS appeal and informal hearing rights are pursued, but the final appeal or hearing decisions are decided against the family member.

The notice of denial or termination of assistance shall advise the family that:

1. Financial assistance will be denied or terminated, and provide a brief explanation of the reason(s) for the proposed denial or termination of assistance;
2. The family may be eligible for proration of assistance as provided under Policy 459;
3. In the case of the family, the criteria and procedures for obtaining relief under the preservation of families in accordance with the HUD Housing Choice Voucher Program Guidebook 7420.10;
4. That the family has the right to request an appeal to the INS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal in accordance with the procedures of this section;
5. For applicants, the notice shall advise that assistance may not be delayed until the conclusion of the INS appeal process, but assistance may be delayed during the pendancy of the Administrative Agent informal hearing process.

Appeal to the INS-Submission of request for appeal. Upon receipt of notification by the Administrative Agent that INS secondary verification failed to confirm eligible immigration status, the Administrative Agent shall notify the family of the results of the INS verification, and the family shall have 30 days from the date of the Administrative Agent's notification to request an appeal of the INS results. The request for appeal shall be made by the family communicating that request in writing directly to the INS. The family must provide the Administrative Agent with a copy of the written request for appeal and proof of mailing. For good cause shown, the Administrative Agent shall grant the family an extension of the time within which to request an appeal.

Documentation to be submitted as part of the appeal to INS. The family shall forward to the designated INS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the INS document verification request form G-845S (used to process the secondary verification request) or such other form specified by the INS, and a cover letter indicating that the family is requesting an appeal of the INS immigration status verification results. (Form G-845S is available from the local INS office.)

Decision by INS. INS will issue to the family, with a copy to the Administrative Agent, a decision within 30 days of its receipt of documentation concerning the family's appeal of the verification of the immigration status. If, for any reason, the INS is unable to issue a decision within the 30-day time period, the INS will inform the family and the Administrative Agent of the reasons for the delay.

Notification of the INS decision and of informal hearing procedures. When the Administrative Agent receives a copy of the INS decision, the Administrative Agent shall notify the family of its right to request an informal hearing on the Administrative Agent's ineligibility determination in accordance with the procedures in this section.

No delay, denial or termination of assistance until completion of INS appeal process; direct appeal to INS. Pending the completion of the INS appeal under

this section, assistance may not be delayed, denied, or terminated on the basis of immigration status.

Informal hearing-When request for hearing is to be made. After notification of the INS decision on appeal, or in lieu of request of appeal to the INS, the family may request that the Administrative Agent provide a hearing. This request must be made either within 14 days of the date the Administrative Agent mails or delivers the notice as above, or within 14 days of the INS appeal decision issued as above of this section (established by the date of the postmark).

Extension of time to request hearing. The Administrative Agent shall extend the period of time for requesting a hearing (for a specified period) upon good cause shown.

Informal hearing procedures. For participating families, the procedures for the informal hearing are in Policy 1041, and the informal review procedures for applicants are found in Policy 1040. The non-citizen rule has additional clarifications as follows:

- ***Examination of evidence.*** The applicant shall be provided the opportunity to examine and copy (at the applicant's expense and at a reasonable time in advance of the hearing) any document(s) in the possession of the Administrative Agent pertaining to the applicant's eligibility status, or in the possession of the INS (as permitted by INS requirements), including any records and regulations that may be relevant to the hearing;
- ***Presentation of evidence and arguments in support of eligible status.*** The applicant shall be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings;
- ***Controverting evidence of the project owner.*** The applicant shall be provided the opportunity to convert evidence relied upon by the Administrative Agent and to confront and cross-examine all witnesses on whose testimony or information the Administrative Agent relies;
- ***Interpretive services.*** The applicant shall be entitled to arrange for an interpreter to attend the hearing, at the expense of the applicant or the Administrative Agent, as may be agreed upon by both parties;
- ***Hearing to be recorded.*** The applicant shall be entitled to have the hearing recorded by audio tape (a transcript of the hearing may, but is not required, to be provided by the Administrative Agent); and
- ***Judicial relief.*** A decision against a family member, issued in accordance with of this section, does not prelude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.
- ***Retention of documents.*** The Administrative Agent shall retain for a minimum of 5 years the following documents that may have been submitted to the Administrative Agent as part of the INS appeal or the informal hearing process:
    - The application for financial assistance;

- The form completed by the family for income re-examination;
- Photocopies of any original documents (front and back), including original INS documents;
- The signed verification consent form;
- The INS verification results;
- The request for INS appeal;
- The final INS determination;
- The request for an informal hearing;
- and the final informal hearing decision.

***Termination of assisted occupancy*.** In the Section 8 Housing Choice Voucher and Moderate Rehabilitation programs, assisted occupancy is terminated by terminating assistance payments. The Administrative Agent shall not make any additional assistance payments to the owner after the required procedures specified in this section have been completed. In addition, the Administrative Agent shall not approve a lease, enter into an assistance contract, or process a portability move for the family after those procedures have been completed.

CHAPTER: INTAKE

458: TYPES OF PRESERVATION ASSISTANCE AVAILABLE TO MIXED FAMILIES AND OTHER FAMILIES

EFFECTIVE DATE: January 1996

Three types of preservation assistance are available to mixed families and other families. They are: 1) continued assistance; 2) proration of continued assistance; and 3) temporary deferral of termination of assistance.

1. Continued assistance. A mixed family may receive continued housing assistance if all of the following conditions are met (a mixed family assisted under a Housing covered program must be provided continued assistance if the family meets the following conditions:

- The family was receiving assistance under a Section 214 covered program on July 19, 1995; and
- The family's head of household or spouse has eligible immigration status as defined in Policy 452; and
- The family does not include any person (who does not have eligible immigration status) other than the head of household, any spouse of the head of household, any parents of the head of household, any parents of the spouse, or any children of the head of household or spouse.

2. Proration of continued assistance. A family entitled to continued assistance before November 29, 1996 is entitled to continued assistance as described above. A family entitled to continued assistance after November 29, 1996 shall receive prorated assistance as described in Policy 459.

3. **Temporary deferral of termination of assistance. If a mixed family** qualifies for prorated assistance (and does not qualify for continued assistance), but decides not to accept prorated assistance, or if a family has no member(s) with eligible immigration status, the family may be eligible for temporary deferral of termination of assistance if necessary to permit the family additional time for the orderly transition of those family members with ineligible status, and any other family members involved, to other affordable housing.

The Administrative Agent shall grant temporary deferral of termination of assistance to a mixed family if the family is assisted under a Housing covered program and one of the following conditions is met:

- The family demonstrates that reasonable efforts to find other affordable housing of appropriate size have been unsuccessful (reasonable efforts include seeking information from, and pursuing lead obtained from the Administrative Agent, city government, local newspaper, rental agencies and the owner); or
- The vacancy rate for affordable housing of appropriate size is below 5% in the housing market for the area; or
- The consolidated plan (if applicable to the covered program) indicates that the local jurisdiction's housing market lacks sufficient affordable housing opportunities for households having a size and income similar to the family seeking the deferral.

Time limit on deferral period. If temporary deferral of termination of assistance is granted, the deferral period shall be for an initial period not to exceed 6 months. The initial period may be renewed for additional periods of 6 months, but the total deferral period for deferrals provided after November 29, 1996 shall not exceed a period of 16 months. The total deferral period for deferrals granted prior to November 29, 1996 shall not exceed 3 years. These periods do not apply to a family, which includes a refugee under section 207 of the Immigration and Nationality Act of an individual seeking asylum under section 208 of that Act.

Notification requirements for beginning of each deferral period. At the beginning of each deferral period, the Administrative Agent must inform the family of their ineligibility for financial assistance and offer the family information concerning, and referrals to assist in finding, other affordable housing.

Determination of availability of affordable housing at end of each deferral period. Before the end of each deferral period, the Administrative Agent must:

- For Housing covered programs: make a determine that one of the two conditions specified under "Temporary deferral of termination of assistance" continues to be met, the owner's knowledge and the tenant's evidence indicate that other affordable housing is available; or
- For Section 8 covered programs: make a determination of the availability of affordable housing of appropriate size based on evidence of conditions which when taken together will demonstrate an inadequate supply of affordable housing for the area, the consolidated plan (if applicable) indicates that the local jurisdiction's housing market lacks sufficient affordable housing opportunities for households having a size and income similar to the family seeking the deferral.

The Administrative Agent must also:

- Notify the tenant family in writing, at least 60 days in advance of the expiration of the deferral period, that termination will be deferred again (provided that the granting of another deferral will not result in the sum

- Notify the tenant family in writing, at least 60 days in advance of the expiration of the deferral period, that termination of financial assistance will not be deferred because either granting another deferral will result in the sum total of deferral periods that exceed the maximum deferral period (unless the family includes a refugee under section 207 of the Immigration and Nationality Act or an individual seeking asylum under section 208 of that Act), or a determination has been made that other affordable housing is available.

Option to select proration of assistance at end of deferral period. A family who is eligible for, and receives temporary deferral of termination of assistance, may request, and the Administrative Agent shall provide, proration of assistance at the end of the deferral period if the family has made a good faith effort during the deferral period to locate other affordable housing.

Notification of decision on family preservation assistance. The Administrative Agent shall notify the family of its decision concerning the family's qualification for family preservation assistance. If the family is ineligible for preservation assistance, the notification shall state the reason(s), which must be based on relevant factors. For tenant families, the notice shall inform the family of any applicable appeal rights.

CHAPTER: INTAKE

459: NON-CITIZEN RULE: PRORATION OF ASSISTANCE

EFFECTIVE DATE: December 1997

METHOD OF PRORATING ASSISTANCE

This policy applies to a mixed family.

For assistance under the Section 8 Project-Based Certificate and Moderate Rehabilitation programs, the Administrative Agent shall prorate the family's assistance as follows:

Step 1. Determine gross rent for the unit. (Gross rent is Contract Rent plus any allowance for tenant paid utilities).

Step 2. Determine total tenant payment (annual income includes income of all family members, including any family member who has not established eligible immigration status).

Step 3. Subtract amount determined in Step 2 from amount determined in Step 1.

Step 4. Multiply the amount determined in Step 3 by a fraction for which: The numerator is the number of family members who have established eligible immigration status; and

The denominator is the total number of family members.

***Prorated housing assistance*.** The amount determined in Step 4 is the prorated Housing Assistance Payment for a mixed family.

***Proration of the Housing Assistance Payment does not affect Contract Rent to the owner*.** The family must pay as rent the portion of Contract Rent not covered by the prorated Housing Assistance Payment.

For assistance under the Section 8 Housing Choice Voucher Program, the Administrative Agent shall prorate the family's assistance as follows:

Step 1. Determine the amount of the pre-proration Housing Choice V*oucher* Housing Assistance Payment (annual income includes income of all family members, including any family member who has not established eligible immigration status.)

Step 2. Multiply the amount determined in step 1 by a fraction for a which:

The numerator is the number of family members who have established eligible immigration status; and

The denominator is the total number of family members.

***Prorated housing assistance*.** The amount determined in step 2 is the prorated Housing Assistance Payment for a mixed family.

***Proration of the Housing Choice Voucher Housing Assistance Payment does not affect rent to the owner*.** The family must pay as rent the portion of rent not covered by the prorated Housing Assistance Payment.

CHAPTER: INTAKE

460: NON-CITIZEN RULE: PROHIBITION OF ASSISTANCE TO NON-CITIZEN STUDENTS

EFFECTIVE DATE: January 1996

Policy 458 (permitting continued assistance, prorated assistance or temporary deferral of termination of assistance for certain families) **does not apply to any person who is determined to be a noncitizen student**, as defined in this section, or the family of the noncitizen student, as described in this section.

***Noncitizen student*.** For purposes of this part, a noncitizen student is defined as a noncitizen who:

- Has a residence in a foreign county that the person has no intention of abandoning:
- Is a bona fide student qualified to pursue a full course of study; and
- Is admitted to the United States temporarily and solely for purposes of pursuing a full course of study at an established institution of learning or other recognized place of study in the U. S. , particularly designated by such person and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student (and if any such institution of learning or place of study fails to make such reports promptly the approval shall be withdrawn).

***Family of noncitizen student*.** The prohibition on providing assistance to a noncitizen student as described in this section also extends to the noncitizen spouse of the noncitizen student and minor children of any noncitizen student if the spouse or children are accompanying the student or following to join such student (i.e., a noncitizen spouse and noncitizen children are not eligible).

The prohibition on providing assistance to a noncitizen student does not extend to the citizen spouse of the noncitizen student and the children of the citizen spouse and noncitizen student (i.e., assistance is available to citizen spouses and citizen children).

461: NON-CITIZEN RULE: COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS

EFFECTIVE DATE: January 1996

The responsible entity shall administer the restrictions on use of assisted housing by noncitizens with ineligible immigration status imposed by this part in conformity with the nondiscrimination requirements of, including, but not limited to, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-5) and the implementing regulations in 24 CFR Part 1, Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and the implementing regulations in 24 CFR Part 1, and the implementing regulations in 24 CFR Part 100; and other civil rights statutes cited in the applicable program regulations. These statutes prohibit, among other things, discriminatory practices on the basis of race, color, national origin, sex, religion, age, disability and familial status in the provision of housing.

462: NON-CITIZEN RULE: PROTECTION FROM LIABILITY FOR RESPONSIBLE ENTITIES, STATE, LOCAL AND TRIBAL GOVERNMENT AGENCIES AND OFFICIALS

EFFECTIVE DATE: January 1996

Protection from liability for responsible entities. HUD will not take any compliance, disallowance, penalty, or other regulatory action against a Housing Authority or Administrative Agent with respect to any error in its determination of eligibility for financial assistance based on citizenship or immigration status:

If the Administrative Agent established eligibility based upon verification of eligible immigration status through the verification system:

- Because the Administrative Agent was required to provide an opportunity for the family to submit evidence;
- Because the Administrative Agent was required to wait for completion of INS verification of immigration status;
- Because the Administrative Agent was required to wait for completion of the INS appeal process provided; or
- Because the responsible entity was required to provide an informal hearing.

State, local, and tribal government agencies and officials shall not be liable for the design or implementation of the verification system, the informal hearings provided as long as the implementation by the State, local, or tribal government agency or official is in accordance with prescribed HUD rules and requirements.

CHAPTER: INTAKE

463: NON-CITIZEN RULE: LIABILITY OF INELIGIBLE FAMILIES FOR REIMBURSEMENT OF BENEFITS

EFFECTIVE DATE: January 1996

Where a family has received the benefit of HUD financial assistance to which it was not entitled because the family intentionally misrepresented eligible status, the ineligible family is responsible for reimbursing HUD for the assistance improperly paid. If the amount of the assistance is substantial, the responsible entity is encouraged to refer the case to the HUD Regional Inspector General's office for further investigation. Possible criminal prosecution may follow based on the False Statements Act (18 U.S.C. 1001 and 1010).

CHAPTER: INTAKE

472: WAITING LIST-ADMISSION POLICY

EFFECTIVE DATE: February 1998

The Administrative Agent must admit applicants for participation in accordance with HUD regulations and other requirements, and with policies stated in the VHDA Administrative Plan and Equal Opportunity Housing Plan. The policies must state the system of admission preferences that the Administrative Agent uses to select applicants from the Waiting List, including any local preference or other selection criteria.

CHAPTER: INTAKE

480: WAITING LIST-GENERAL REQUIREMENTS

EFFECTIVE DATE: February 1998

The Administrative Agent may admit an applicant for participation in the program either:

- As a special admission (Policy 481)
- As a Waiting List admission (Policy 482)

PROHIBITED ADMISSION CRITERIA:

Family suitability for tenancy. The owner selects the family. The owner decides whether the family is suitable for tenancy. The Administrative Agent's decision whether to admit an applicant to the program may not be based on an applicant's suitability for tenancy. The Administrative Agent may deny assistance to an applicant because of drug-related criminal activity or violent criminal activity by family members.

Where family lives. Admission to the program may not be based on where the family lived before admission to the program. However, the Administrative Agent may target assistance for families who live in public housing or other federally assisted housing.

Where family will live. Admission to the program may not be based on where the family will live with assistance under the program.

Family Characteristics. Admission to the program may not be based on:

Discrimination because member of the family are unwed parents, recipients of public assistance, or children born out of wedlock;
Discrimination because a family includes children (familial status discrimination);
Discrimination because of age, race, color, religion, sex, or national origin;
Discrimination because of disability; or whether a family decides to participate in a Family Self-Sufficiency Program.
The Administrative Agent may not adopt a preference for admission of higher income families over families of lower income.

Applicant status. An applicant does not have any right or entitlement to be listed on the Administrative Agent Waiting List, to any particular position on the Waiting List, or to admission to the programs. The preceding sentence does not affect this rule, to bring a judicial action challenging an Administrative Agent violation of a constitutional or statutory requirement.

CHAPTER: INTAKE

481: WAITING LIST-ASSISTANCE TARGETED BY HUD

EFFECTIVE DATE: January 1996

Special admission (Non-Waiting List): Assistance targeted by HUD.

1. If HUD awards an Administrative Agent/VHDA funding that is targeted for families living in specified units:

    - The Administrative Agent must use the assistance for the families living in these units.

    - The Administrative Agent may admit a family that is not on the Administrative Agent Waiting List or without considering the family's Waiting List position. The Administrative Agent must maintain records showing that the family was admitted with HUD-targeted assistance.

2. The following are examples of types of program funding that may be targeted for a family living in a specified unit:

    - A family displaced because of demolition or disposition of a public or Indian housing projects;

    - A family residing in a multifamily rental housing project when HUD sells, forecloses, or demolishes the project:

    - For housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990 (41 U.S.C. 4101 et seq.):

        a) A non-purchasing family residing in a project subject to a homeownership program (under 24 CFR 248.173); or
        b) A family displaced because of mortgage prepayment or voluntary termination of a mortgage insurance contract (as provided in 24 CFR 248.165):
        c) A family residing in a project covered by a project-based Section 8 HAP contract at or near the end of the HAP contract term; and
        d) A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

CHAPTER: INTAKE

482: WAITING LIST-ADMINISTRATION

EFFECTIVE DATE: January 1996

Admission from Waiting List.

Except for special admissions, participants must be selected from the Administrative Agent Waiting List. The Administrative Agent must select participants from the Waiting List in accordance with admission policies in the VHDA Administrative Plan/Operations Manual and the Administrative Agent's Equal Opportunity Housing Plan.

Organization of Waiting List.

The Administrative Agent must maintain information that permits the Administrative Agent to select participants from the Waiting List in accordance with the policies. The Waiting List must contain the following information for each applicant listed:

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference.
-

The Sample Letter -- Waiting List Notification is used to notify families that they have been placed on the Waiting List. It must be sent to all families assigned to the Waiting List with a copy maintained for the family file. The family will be contacted by sending the Sample Letter - Scheduling the Interview when appropriate.

Removing applicant names from the Waiting List:

The Administrative Agent will remove names of applicants who do not respond to Administrative Agent requests for information or updates, or who have refused offers of tenant-based assistance.

If the family does not respond within the ten-day period, the Sample Letter -- Rejection of Initial Eligibility Determination will be sent to the family. Such a rejection must be noted on the Preliminary Application (8-410-1).

The system for removing applicant names from the Waiting List may not violate the rights of a disabled person under HUD regulations and requirements. For example, if an applicant’s failure to respond to Administrative Agent requests for information or updates was caused by the applicant’s disability, the Administrative Agent must provide reasonable accommodation to give the applicant an opportunity to respond.

Family size. The order of admission from the Waiting List may not be based on family size, or on the family unit size for which the family qualifies under the Subsidy Standards Policy (Policy 528).

1. ***Maximum Number of Units Allocated***

   A locality will not be permitted to lease beyond the total number of units authorized by VHDA.

2. ***Total Vouchers Outstanding***

   Policy 540 authorizes a potential 10 percent over issuance of vouchers beyond the total number of units authorized. Some localities have the need to issue more Vouchers to insure one vacant unit will be leased. Local Administrative Agents must ensure that this practice, if adopted, does not result in leasing more units on an annual basis than authorized by VHDA.

3. ***Selection From Waiting List vs. Portability Absorption***:

   Policies 1448 and 1450 require the Administrative Agent to absorb portability requests if funding exists (98 LCNs and 99 LCNs). If an Administrative Agent must absorb on every available vacancy, then it is possible that the applicants on the Waiting List may not have a chance at occupancy. Therefore, we are requiring you to rotate between the Waiting List, 99 and 98 LCNs. For the first vacancy, please select from the Waiting List. The next vacancy would be an absorption from the 99 LCN group, followed a 98 LCN.

   Some localities have many 99 or 98 LCNs and selecting one as the next file to absorb could be an issue (i.e., select the most recent or the oldest). VHDA recommends the oldest records be absorbed first. It is best to acknowledge a procedure (always the oldest) and be consistent.

   Policy 1499 requires the Administrative Agent to inquire about the participant's status for portability (i.e., is the participant in good standing), because VHDA does not absorb families with liabilities or program violations.

4. ***Funding for specified category of Waiting List families***. When HUD awards an Administrative Agent program funding for a specified category of families on the Waiting List, the Administrative Agent must select applicant families in the specified category.

5. ***Changes while on the Waiting List*** The family's situation could change at any time while on the Waiting List and therefore it will change their place on the Waiting List based on the date of their original application.

SAMPLE LETTER

Waiting List Notification
(Applicable to Vouchers)

Date _____

Dear Family:

Thank you for your application to the Section 8 Rental Housing Assistance Payments Program. Based on the information provided on the application form, your family appears to be eligible. However, because of the large volume of applications, we are not able to offer you Program assistance at this time.

We have placed your name on the Waiting List and will contact you as soon as we can offer you a chance to participate in the Program. It is not likely that such assistance will be available before _____.
(NOTE: If a date cannot be determined, state such.)

You should notify us immediately if any of the following events occur because they may affect your placement on the Waiting List, and our ability to contact you in the future:

1. Your address or phone number changes.
2. You experience an increase or decrease in the number of family household members.
3. Your local preference status changes.
4. (*List any other your locality adopts.)*

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

SAMPLE LETTER

Scheduling the Interview

Date _____

Dear Family:

We have reached your name on the Waiting List for participation in the Section 8 Housing Assistance Payments Program. Please contact this office within 10 days from the date of this letter so that we may schedule an appointment to complete the formal application. Failure to respond within the requested time period will result in your application being rejected. Your eligibility cannot be fully approved until we have completed all the necessary verifications.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

SAMPLE LETTER

Rejection of Initial Eligibility Determination

Date _____

Dear Family:

On _____, you were sent a notice requesting that you contact this office within 10 days to schedule an appointment to complete the application process. Your failure to respond has resulted in your application pending rejection.

This letter serves as notice that you have 10 days from the date of this letter to provide your written request for an informal review regarding the status of your application. Failure to respond to this letter will result in your application being rejected. Should you have any questions regarding this matter, contact (Locality Program Worker or Supervisor), at (Phone Number).

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

CHAPTER: INTAKE

483: WAITING LIST-DIFFERENT PROGRAMS

EFFECTIVE DATE: January 1996

Tenant-based programs: Number of Waiting Lists

- The Housing Authority may use a single Waiting List for admission to its tenant-based Certificate and Voucher programs, or may use separate Waiting Lists for a county or municipality. **VHDA has opted to use separate Waiting Lists for each VHDA locality.**

Merger and cross listing.

- Merged Waiting List. The Administrative Agent may merge the Waiting List for tenant-based admission to another assisted housing program, including a federal or local program. In admission from the merged Waiting List, admission for each federal program is subject to federal regulations and requirements for the particular program. VHDA has programs with other Housing Authorities; therefore, we will accept their Waiting List decisions regarding merging and cross listing.

- Non-merged Waiting List: If the Administrative Agent decides not to merge the Waiting List for tenant-based assistance with the Waiting List for the Administrative Agent's Public or Indian housing program, Project-Based Certificate program, or Moderate Rehabilitation program -- then:

    a) If the Administrative Agent's Waiting List for tenant-based assistance is open when an applicant is placed on the Waiting List for the Administrative Agent's Public or Indian housing program, Project-Based Certificate, or Moderate Rehabilitation program, the Administrative Agent must offer to place the applicant on its Waiting List for tenant-based assistance.

    b) If the Administrative Agent's Waiting List for its Public or Indian housing program, Project-Based Certificate program, or Moderate Rehabilitation is open when an applicant is placed on the Waiting List for its tenant-based program, and if the other program includes units suitable for the applicant, the Administrative Agent must offer to place the applicant on its Waiting List for the program.

Other housing assistance: Effect of application for, receipt, or refusal.

- The Administrative Agent may not take any of the following actions because an applicant has applied for, received, or refused other housing assistance:

a) Refuse to list the applicant on the Administrative Agent Waiting List for tenant-based assistance;

b) Deny any admission preference for which the applicant is currently qualified; or

c) Remove the applicant from the Waiting List.

For this purpose, "other housing assistance" means a federal, State, or local housing subsidy, as determined by HUD, including Public or Indian housing.

- If an applicant refuses offers of tenant-based assistance, the Administrative Agent will remove the applicant from the Waiting List for tenant-based assistance.

Special Targeting within the Waiting List

VHDA administers a variety of special programs including the Family Unification, Welfare to Work, Mainstream and the Family Self-Sufficiency Programs. Applicants for these programs must meet additional, specific, eligibility requirements. Depending on the program, the waiting list may be maintained by the AA or by some other provider agency that serves the target population. When an applicant cannot establish basic program eligibility at the time of application, the AA or provider agency may refuse to place the applicant on the special program waiting list. If the AA or provider agency decides not to place the applicant on the special waiting list it must keep a copy of the application, formally reject the applicant, keep a copy of the rejection on file and notify the applicant of his/her right to an informal review. If admissions decisions are made by the provider agency, that agency is responsible for conducting the informal review.

Applicants that self-identify on the standard Section 8 application as eligible for a special program(s) must complete the application specific to that program if the list is maintained by an AA, or be referred to the provider agency that maintains that waiting list. Only those applicants for whom minimum eligibility requirements can be verified should be place on the list, if open.

The Waiting List should be organized so that families with a targeted interest can be identified. Examples:

- a family that only is interested in a Moderate Rehabilitation unit
- a family who qualifies for the Family Unification Program
- a family who qualifies for the Mainstream Program

CHAPTER: INTAKE

484: WAITING LIST-USE OF PREFERENCES

EFFECTIVE DATE: June 2000

The use of local admissions preferences is optional for local Administrative Agent.

Need-Based (Formerly Federal) Preferences

Need-based preferences are not required by law. A local Administrative Agent **may** give a local preference for admission of applicants that are:

- Involuntarily displaced;
- Living in substandard housing; or
- Rent burdened

Local Administrative Agents may adopt definitions of these preferences from the former federal preferences, or may establish their own definitions. Each locality's EO Plan will state whether need-based preferences are used in the local program, and will provide local definitions of any preferences used.

Other Local Preferences

Local preferences can be used to select applicants for participation. Pre-approved local preferences are described in Policy 430.

Use of preferences in admission

In selecting applicants, the Administrative Agent determines if an applicant qualifies for a local preference, if any.

- The Administrative Agent must inform applicants about available local preferences. The Family must show that they qualify for available preferences. The local preference definitions must be posted in the areas where applications are taken.
- The Housing Authority/Administrative Agent preference system may limit the number of applicants that may qualify for any local preference.

VICTIM/WITNESS PROTECTION

These households must be offered assistance. However, if a subsidy is not available, the household is placed at the top of the waiting list and offered the next available subsidy.

To be considered for selection under this category an applicant must meet all three of the following criteria:

- The applicant (or member of the applicant's household) has been a witness to or a victim of a crime in Virginia and needs witness protection according to a Virginia state or local law enforcement agency; and
- As a result of testifying or agreeing to testify in a court of appropriate jurisdiction against the aggressor, the applicant's household has been placed in a life-threatening situation the circumstances of which can be verified in writing by an appropriate Virginia law enforcement official; and
- All efforts to secure housing assistance through a local housing agency have been exhausted.

An applicant's eligibility for this category must be approved by VHDA before the Administrative Agent may assist the household.

Verification Requirements
Verification must be provided by a Virginia state or local law enforcement agency.

486: WAITING LIST-METHOD OF SELECTION

EFFECTIVE DATE: February 1998

Methods for Selection.

The Administrative Agent must use the following to select among applicants on the Waiting list with the same preference status:

- Date and time of application

The method of selecting applicants from preference categories must be consistent with requirements governing local preferences.

The method for selecting applicants from preference categories must leave a clear audit trail that can be used to verify that each applicant has been selected in accordance with the method specified.

CHAPTER: INTAKE

488: WAITING LIST-DRUG RELATED CRIMINAL EVICTION

EFFECTIVE DATE: July 1996

Ineligibility if applicant was evicted for drug-related criminal activity.

The Administrative Agent WILL DENY an applicant assistance if any member of the family is a person who was been evicted during the past three years because of drug-related criminal activity from housing assisted under a 1937 Housing Act Program. A 1937 Housing Act program is public housing, Indian housing, Section 23, or any Section 8 program. The three-year period is pegged to the time of eviction for drug-related criminal activity, rather than the time when the crime was committed. However, the Administrative Agent may waive this requirement if:

1. If the Administrative Agent determines that the evicted person has successfully completed a rehabilitation program approved by the Administrative Agent.

2. If the Administrative Agent determines that the evicted person clearly did not participate in or know about the drug-related criminal activity.

3. If the Administrative Agent determines that the evicted person no longer participates in any drug-related criminal activity.

4. The circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.

CHAPTER: INTAKE

489: WAITING LIST-FAIR HOUSING REQUIREMENTS

EFFECTIVE DATE: January 1996

Fair Housing requirements. Any admission preferences that are used by an Administrative Agent must be established and administered in accordance with the following authorities, and HUD implementing regulations:

Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d);

The Fair Housing Act (42 U.S.C. 3601-3619);

Executive Order 11063 on Equal Opportunity in Housing (27 FR 11527 (3 CFR, 1959-1963 Comp., p. 652);

Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794);

The Age Discrimination Act of 1975 (42 U.S.C. 6101-6107); and The Americans with Disabilities Act (42 U.S.C. 12101-12213).

Preference must be consistent with HUD's affirmative fair housing objectives. The Administrative Agent may not discriminate against families or family members on the basis of race, color, religion, sex, national origin, age, familial status or disability.

Please contact VHDA if you wish to secure a copy of the above requirements.

CHAPTER: INTAKE

490: WAITING LIST-RESIDENCY PREFERENCE

EFFECTIVE DATE: July 2001

"Residency preference" is a preference for admission of families that reside anywhere in a specified area including families with a member who works or has been hired to work in the area. The area where families must reside to qualify for the preference is called a "residency preference area".

VHDA has established, as the residency preference default, a preference for admission of families that reside or work or have been hired to work in the Commonwealth of Virginia. AA's may however elect to establish their local jurisdiction as a local residency preference. If the AA elects to establish a local residency preference, they must receive prior VHDA approval and must follow all applicable public and other notice requirements (per 24 CFR 903.21).

CHAPTER: INTAKE

495: NOTIFYING THE FAMILY OF INITIAL INELIGIBILITY

EFFECTIVE DATE: January 1996

The Administrative Agent must give an applicant prompt written notice of a decision denying admission to the program (including a decision that the applicant is not eligible, or denying assistance for other reasons). The Sample Letter - Notification of Initial Ineligibility must be sent to all families who have been determined initially ineligible informing them of the reasons for the ineligibility determination. They will be given ten days to request an informal review of the decision from the Administrative Agent, and how to arrange for the informal review.

Additionally, if a family is rejected because they are on Inactive Status they must be so notified in accordance with this Policy. Sample Letter - Notification of Initial Rejection Based on Inactive Status Classification can be used for this purpose.

THE DATE OF THE LETTER MAILED TO THE FAMILY MUST BE NOTED ON THE PRELIMINARY APPLICATION (8-410-1).

SAMPLE LETTER

Notification of Initial Ineligibility

Date _____

Dear Family:

Based on the information we received on your Preliminary Application, you and your family are not eligible for the Section 8 Housing Assistance Payments Program because of the following reason(s):

_____ Income of the family exceeds the Program Income Limits *(Note: D. C. Income Limits)*

_____ Family does not meet the Family Definition

_____ Failure to provide requested household documentation

_____ Other _____

You may request an informal review if you feel that the ineligibility determination may be reversed based on documentation that you have available. Your written request for an informal review must be received in writing within 10 days from the date of this letter. A copy of the Informal Review Procedures for Applicants is enclosed.

Failure to respond to this letter will result in your ineligibility for the program not being reversed, and no further action will be taken. If you have any questions regarding this matter, contact (Administrative Agent or Supervisor) at *(Phone Number)*.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

Enclosure

SAMPLE LETTER

Notification of Initial Rejection Based on Inactive Status Classification

Date _____

Dear Family:

We regret to inform you that, according to the information we received on your Preliminary Application or that we obtained form other sources, you and your family cannot be approved at this time for participation in Section 8 Housing Assistance Payments Program because you are on Inactive Status for the of the following reason(s):

_____
_____
_____

In order to be removed form this clarification, the following is required:
_____
_____
_____

You may request an informal review if you feel your Inactive Status determination may be reversed based on documentation that you might have available. Your request for an informal review must be received in writing within 10 days from the date of this letter. A copy of the Informal Review Procedures for Applicants is enclosed.

Failure to respond to this letter will result in your Inactive Status not be reversed. Should you have any questions regarding this matter, contact *(Administrative Agent or Supervisor)* at *(Phone Number)*.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance payments Program

Enclosure

496: NOTIFYING THE FAMILY OF INITIAL ELIGIBILITY

EFFECTIVE DATE: January 1996

If the family is determined initially eligible, the Sample Letter - Notification of Initial Eligibility must be sent to the family notifying them of their status and requesting them to come in and complete the HUD-50058. Information must be updated on the Preliminary Application (8-410-1).

Please be aware of the need to fully explain the income limit test that will be imposed on the family at the point of leasing a unit. Although the family met the highest income test for Virginia, they must also be at or below the income limit in the area where they go under lease/HAP. If they elect to lease in your jurisdiction then you need to tell them your income limits. If they leave your area and intend to lease a unit in the new area, they must be at or below the income limit in the new jurisdiction. This could be a very confusing point for all applicants to understand. Please cover this area with all applicants.

If the family does not respond within the ten day time period, a letter must be sent to the family informing them that their application will be rejected (see Sample Letter -- Rejection of Initial Eligibility Determination. Such a rejection must be noted on the Preliminary Application (8-410-1).

SAMPLE LETTER

Notification of Initial Eligibility

Date _____

Dear Family:

Based on the information you provided on the Preliminary Application you submitted to this office, you and your family have been determined initially eligible for participation in the Section 8 Housing Assistance Payments Program.

Please be aware that the income limit for your household in *(insert the name of your jurisdiction)* was used to determine your initial program eligibility. You will need to meet the income limits of the jurisdiction where you go under lease--that income limit may be different from the income limit used by our office to determine your eligibility. Always inquire about the income limit test when searching for a unit to lease. Our office can help you with this issue.

Please contact this office at *(Phone Number)* within 10 days from the date of this letter so that we may schedule an appointment to complete the formal application. Failure to respond within the requested time period will result in your application being rejected. *[Reword this section depending on whether you are calling in the applicant from the Waiting List at this time or not].*

Your final eligibility cannot be determined until we have completed all the necessary verifications. Additionally, should your circumstances change anytime during this process (or until you are put under lease) your eligibility may be affected.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

SAMPLE LETTER

Rejection of Initial Eligibility Determination

Date _____

Dear Family:

On _____, you were sent a notice requesting that you contact this office within 10 days to schedule an appointment to complete the application process. Your failure to respond has resulted in your application being denied.

This letter serves as notice that you have 10 days from the date of this letter to provide your written request for an informal review regarding the denial of your application. A copy of the Informal Review Procedures for Applicants is enclosed. Failure to respond to this letter will result in your application remaining denied. Should you have any questions regarding this matter, contact *(Administrative Agent or Supervisor)* at *(Phone Number)*.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance payments Program

Enclosure

CHAPTER: INTAKE

497: SUSPENSION OF TAKING APPLICATIONS

EFFECTIVE DATE: March 2002

Administrative Agent's no longer need VHDA approval to suspend taking of applications.

498: RESUMING APPLICATION TAKING

EFFECTIVE DATE: January 1996

If application taking has been suspended and it is determined at a later date that a need exists for more applicants, application taking may be resumed. When the Administrative Agent opens the Waiting List, the Administrative Agent must give public notice that families may apply for tenant-based assistance. The public notice must state where and when to apply.

The Administrative Agent must give the public notice by publication in a local newspaper of general circulation, and also by minority media. The notice must comply with the HUD-approved Equal Opportunity Plan and with HUD fair housing requirements. The public notice must state any limitations or criteria on who may apply for available slots in the program.

Criteria defining what families may apply:

The Administrative Agent may adopt criteria defining what families for assistance under a public notice. All criteria must be approved by VHDA.

- Example A
  The Administrative Agent decides that applications will only be accepted from families that qualify for a local preference.

- Example B
  In admission to the program, the Administrative Agent gives the highest preference to elderly families that are victims of domestic violence. The Administrative Agent decides that applications from other families will not be accepted.

If the waiting list is open, the Administrative Agent must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as a denial of assistance because of action or inaction by members of the family) for the grounds stated in Policy 1010.

The sample ad, Public Notice to Resume Application Taking, must be utilized to notify families that application taking has been resumed. Any modifications to the ad must be approved by VHDA in writing prior to printing, and a copy of the ad as it appears in the media must be forwarded to VHDA, and maintained in the locality's Outreach folder.

Reference should be made to Chapter 300 for specific procedures relating to advertising.

PUBLIC NOTICE TO RESUME APPLICATION TAKING

To Low Income Families Seeking Assistance in Rent Payments

Effective _____(Date, Time)_____, applications will be accepted at the address listed below from persons wishing to apply to participate in the Section 8 Housing Assistance Payments Program in (Locality). Contact should be made with the office listed below if interested.

Housing Assistance Office

(Street Address)_____ EQUAL

(City, State, ZIP)_____ OPPORTUNITY

(Area Code, Phone Number)___ LOGO

CHAPTER: INTAKE

499: UPDATING THE WAITING LIST

EFFECTIVE DATE: January 1996

Waiting Lists must be updated at least every 2 years. The Sample Letter - Waiting List Update is an example of the type of letter to send to families to update the Waiting List. A copy of the letter must be retained in the family's folder.

If the family does not contact the Administrative Agent within the required amount of time or is no longer interested, the Sample Letter - Removal of Name from Waiting List must be sent with a copy in the file. The family's application will be removed from the Waiting List and the file will be placed in the "Applications Rejected" section of the filing system.

If a family reports a change while on the Waiting List or when updating the Waiting List it is found that the family's situation has changed, the family's name will have to be removed and placed on the Waiting List in accordance with their new designation. This may result in a drastic change in the family's status on the List as their first (original) date of application will be used to determine their location within the new category.

The Preliminary Application (8-410-1) must be updated accordingly.

SAMPLE LETTER

Waiting List Update

Date _____

Dear Family:

We are currently in the process of updating our Waiting List. Please complete the bottom portion of this letter and return by mail (or you may hand-deliver) to our office within 10 calendar days from the date of this letter. Failure to respond within the specified time period may result in you being removed from the Waiting List, requiring you to reapply should you desire assistance.

Your cooperation in this matter is appreciated, as it is necessary for us to contact you periodically to ensure your information is current. It is ***very important*** that you notify us immediately if your address changes because it is the only way we may reach you.

Should you have any questions regarding this matter, contact our office at *(Phone Number)*.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

COMPLETE AND RETURN

TO: (Administrative Agent Address) _____ FROM: (Family Address) _____

_____ _____
_____ _____
_____ _____

PLEASE CHECK ONE:

_____ I am **no longer interested** in participating in the Section 8 Housing Choice Voucher Program.

_____ I am **still interested** in participating in the Section 8 Housing Choice Voucher Program with no changes in information furnished on the Preliminary Application Card.

_____ I am **still interested** in participating in the Section 8 Housing Choice Voucher Program **with the following changes** from what was reported on the Preliminary Application Card:

(Page 1 of 2)

PLEASE PRINT

1. Head of Household Name: _____

2. Head of Household Social Security Number: _____

3. Address: _____

_____

_____

4. Phone Number: _____

5. Family Members/Yearly Income:

Name	Relationship	Race (*)	Age	Sex	Place of Employment	Yearly Income

(*) For statistical purposes only.

OTHER INFORMATION YOU WISH TO REPORT THAT YOU THINK MAY AFFECT YOUR POSITION ON THE WAITING LIST:

_____

_____

_____

Signed _____
(Head of Household)

_____
(Spouse – *if applicable*)

_____
(Date)

WARNING: Section 1001 of Title 18 of the United States Code makes it a criminal offense to make a willfully false statement or misrepresentation to any Department or Agency of the United States as to any matter within its jurisdiction.

(Page 2 of 2)

SAMPLE LETTER

Removal of Name from Waiting List

Date _____

Dear Family:

On _____, you were sent a letter requesting that you complete and return an application update to ensure our Waiting List has your current information.

Due to your failure to respond, you are hereby notified that your name will be removed from the Waiting List. You may request an informal review if you feel this decision was made in error. Your written request for an informal review must be received within 10 calendar days from the date of this letter. A copy of the Informal Review Procedures for Applicants is enclosed.

Failure to respond will result in your removal from the Waiting List, and you would need to reapply should you need assistance. If you have any questions regarding this matter, contact *(Administrative Agent or Supervisor)* at *(Phone Number).*

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

Enclosure

CHAPTER 500: APPLICANT PROCESSING

511: COMPLETING THE RELASE OF INFORMATION / PRIVACY ACT NOTICE (HUD-9886)

EFFECTIVE DATE: July 1996

- Applicants and participants must sign and submit a HUD-9886 each time the Administrative Agent evaluates their eligibility for housing assistance (at initial certification, interim certification or regularly scheduled annual recertification).

- The consent form must be signed by the head of household and spouse regardless of age and by each adult member in the household at the initial certification.

- It is mandatory that each additional adult member living in the household sign the consent forms. Signatures must also be obtained from any new adult joining the household and from household members who have reached 18 years of age.

- The HUD-9886 is a general authorization form and does not replace specific forms currently used to verify information about applicants or participants. The HUD-9886 provides a signed consent form in the file that may be used to assist in determining if income is unreported or misreported. The form must be used as is -- the form shall not be altered or included in with another agency form. The HUD-9886 eliminates the need for a separate Federal Privacy Act Notice.

515: VERIFICATION OF INCOME, FAMILY COMPOSITION, EXPENSES AND OTHER RELATED INFORMATION

EFFECTIVE DATE: January 2002

The family must sign the appropriate verification letters authorizing the appropriate entity to release the information requested. Refer to Policy 517 for the acceptable types of verifications to be utilized, as well as the types of information that must be verified.

Third party verification must be obtained to verify the information given by a family when applying to the Program. It is preferred that the third party verification be done in writing through the mail; however, oral verification can be used if the Administrative Agent follows-up in writing and documents in the family's folder why the method was used. No application can be approved without some type of verification. Check stubs or copies of checks are not an acceptable method of verification unless all other methods have been exhausted.

The verification forms found in Policy 517 are samples to be used to verify required information. The Administrative Agent may create or use other forms but the same information must be contained on the form.

It is the Administrative Agent's responsibility to follow-up on outstanding verifications. If verifications are not returned promptly, the Administrative Agent should telephone the verifying party to determine the status of the request. If the Administrative Agent is not able to contact the verifying party or the request has been lost, the Administrative Agent should send a second verification request or a follow-up letter giving a deadline.

When requesting a public agency to complete a large number of verifications at one time, consideration should be given to meeting with the public agency (e.g., Social Security Administration, Department of Social Services, etc.) to provide the agency with advance notice and to explain the process. Such notice would enable the agency to plan for the increased workload and to respond more promptly to the requests of the Administrative Agents. If given advance notice, some agencies may designate a specific individual to whom verification requests can be mailed. Advance notice is particularly helpful during initial leasing and periods of heavy recertification.

It is the family's ultimate responsibility to make sure that needed information is received on their behalf. If information is not received as required, a letter must be sent to the family stating that such information has not been received and that if it is not received within ten days, their application will be denied (see Sample Letter--Notice of Non-Receipt of Required Verifications). Once the deadline is reached and if the information is not received, the family must be sent a letter stating that their

application will be denied, the reason for such denial, and that the family may request an informal review from the Administrative Agent (see Sample Letter--Notice of Application Rejection Due to Non-Receipt of Required Verifications).

Families rejected due to lack of verification must be filed in the Applications Rejected section of the filing system.

VERIFICATION OF ZERO INCOME

Participant households claiming zero income must submit to the Administrative Agent a signed notarized statement officially claiming zero income. In addition, the family member(s) are required to sign verification allowing the Administrative Agent to verify the receipt of no income through unemployment compensation, welfare and social security/disability programs. The authorization for release of information is used to obtain the individual's wage record from the Virginia Employment Commission. Administrative Agents (at their discretion) may elect to perform re-verification of participant zero income status on a scheduled basis. Should an Administrative Agent opt to do so, the decision and schedule to be used should be included in the Administrative Agent's Administrative Plan Addendum.

VERIFICATION TIMEFRAME:

- At initial issuance of a Voucher the verifications of eligibility must be no more than 60 days old from the date of the source's signature.

- All annual or interim recertification verifications are valid for a period of 120 days from the date of the source's signature.

SAMPLE LETTER -- NOTICE OF NON-RECEIPT OF REQUIRED VERIFICATIONS

Date_____

Dear Family:

On_____, a second letter was sent to _____requesting that they verify certain information by _____. The due date has now passed and the information has not been received.

Please contact the above referenced recipient yourself and inform them of the importance of the required information. If the information is not received within ten days from the date of this letter, your application will be denied.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

cc: File

SAMPLE LETTER -- NOTICE OF APPLICATION REJECTION DUE TO NON-RECEIPT OF REQUIRED VERIFICATIONS

Date _____

Dear Family:

On _____, you were sent a letter informing you that required information had not been provided by _____. It was requested that you contact the recipient yourself and inform them of the importance of providing the required information to our office.

The due date has passed, and the information still has not been received. As a result, your application will be denied on *(insert 10 days from the date of this letter)* if we cannot verify the information you provided. You may request an informal review if you feel this decision could be reversed based on information you may have available. Your written request for an informal review must be received within 10 days from the date of this letter.

Failure to respond to this letter will result in your application being denied. If you have any questions regarding this matter, contact *(Administrative Agent or Supervisor)* at *(Phone Number)*.

Sincerely

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

cc: File

516: METHODS OF VERIFICATION

EFFECTIVE DATE: January 2002

Administrative Agents must use reliable methods for verifying income and other related information, and must thoroughly document the verification methods used in each family's file. It is impossible to ensure the accuracy of a family's statements without proper verification, as many families, usually unintentionally, incorrectly reports certain factors, especially income. For example, families with earned income can readily state their take home pay, but are often uncertain of their current or anticipated gross income. Similarly, families who receive benefits such as Social Security will likely report the net amount of their check, after the deduction has been made for their Medicare insurance premium, rather than the gross benefit. Because inadequate verification methods can increase the likelihood of families receiving too much or too little assistance, only the following methods of verification are acceptable.

A. Verification by a Third Party. A third party is an employer, agency, physician or other individual or entity that can verify the data provided by the family. Since third-party verification is the most accurate type of verification, it must be used whenever possible. If third-party verification cannot be used, the Administrative Agent must document in the file the reasons why another method was used.

- Written. Written verifications provided by reliable third-party contacts are usually the most accurate form of verification. To ensure valid results, verifications must be transmitted through the mail rather than handled directly by the family. The Administrative Agent's request for verification should include a statement of the purpose of the inquiry and a release statement, signed by the family, authorizing the third party to release the requested information.

- Oral. Telephone or face-to-face contacts with a reliable third party can provide a fast and efficient means of verification. The Administrative Agent who performed the function must document in writing the facts obtained, the time and date of the contact, and the name and title of the person who provided the information. Oral verifications must be followed-up in writing.

B. Review of Documents. The Administrative Agent may review documents as a substitute method of verification if third-party verification is impossible, or to

C. Applicant's Notarized Statement or Signed Affidavits. This form of documentation is acceptable only when methods (A) and (B) above are not feasible.

The Administrative Agent may not accept verification of income from anyone other than the source of that income. Very often social service agencies will note on public assistance verifications that the family also receives other sources of income (e.g., earnings, Social Security, SSI, etc.). Regardless of the statement made by that agency, each income must be verified by its source, as the family may be misstating his/her earnings to the agency, the agency may have incomplete records of the family's other income, or the agency may only note that portion of payments which it considers to be income defined by the specific program guidelines.

The Administrative Agent may not allow families to obtain their own verifications of income, assets, eligibility, or expenses. Although the family is responsible for supplying sufficient information to enable the Administrative Agent to obtain the appropriate verification, it is the Administrative Agent's responsibility to carry out the balance of the verification process. Furthermore, routing of verifications by mail directly from the verification source to the Administrative Agent reduces the potential for the family to alter the verification form.

CHAPTER: APPLICANT PROCESSING

517: ELIGIBILITY FACTORS TO VERIFY AND SAMPLE VERIFICATION FORMS

EFFECTIVE DATE: January 2002

The Administrative Agent must verify all applicable areas listed in this Policy. Sample letters to be used to verify information given by a family are at the end of this Policy Section.

A. Family Type/Definition of Family/Individual Circumstances of family. The Administrative Agent must determine if the household members meet the definition of family, verify elderly/disabled or displaced status, and obtain the identity of household members and individual circumstances of the family.

1. For elderly families, proof of age may be evidenced by a copy of a birth Certificate, baptismal Certificate, census record, official record of birth or other authoritative document, or receipt of SSI Old Age benefits or Social Security Retirement benefits. This is verified at initial participation of the program and is not required annually unless there is a discrepancy.

2. For evidence of disability status, receipt of Supplemental Security Income (SSI) for the disabled, handicapped or blind, or Social Security total disability benefits, provides adequate verification of this status. If none of these benefits are received, it is necessary to document such in writing (refer to Sample Letter 517-1 which includes the appropriate wording for the medical source to consider in the disability determination). Disability status must be verified annually and if after admission, the family member no longer meets the disability definition they may remain on the program and receive assistance; but the household would no longer qualify for deductions as an elderly household.

3. Remaining Member of a Tenant family status must be documented by obtaining the family's signature on the Remaining Member of a Tenant Family Certification form (8-803-1).

B. Employment Income. It is especially important that the frequency of pay (i.e., hourly, weekly, biweekly, monthly, etc.), be clearly spelled out and that any anticipated increases in pay, along with the effective dates, are included where applicable.

1. Employment verification form completed by the employer.

2. W-2 forms where family has had the same position with an employer for at least two calendar years and where pay increases can be accurately projected on such historical information or if self-employed.

3. Check stubs or earning statements showing employer, gross pay per pay period, and frequency of pay. Checks must total at least one

month's gross pay. This method should be done as a last resort only. If used, the efforts of the Administrative Agent must be documented and included in the lease Request.

C. Income Maintenance Payments, Benefits, or Income Other Than Wages. Receipt of Welfare, Social Security, Supplementary Security Income (SSI), Disability Income, Pensions, etc. Verification forms must be completed by the entity from which the income is received.

1. Award or benefit notification letters prepared and signed by the authorizing agency are the only totally acceptable form of verification. As a general practice, reviews of checks or automatic deposit bank slips are not acceptable as there is no guarantee that the information provided is gross income. Amount shown on these checks or deposit slips may be net amounts available after deducting Medicare or other costs.

2. Previously approved verification on file can be amended or updated by applying the across-the-board cost of living increase on Medicare benefit changes if known and verified. To ascertain what the increase is and when it is effective, the local Social Security office must be contacted. The name of the person verifying the information must be noted, as well as the amount of the increase. A letter confirming the increase should be sent by the Social Security office. This documentation may be adequate third-party verification rather than requesting income verification from Social Security for each family. All documentation must be kept in the file. This procedure applies to all recipients except for:

    a) Initial verification of new applicants

    b) Supplemental Security Income recipients

    c) Initial Social Security income verifications

    d) Employed Social Security beneficiaries

3. Each Administrative Agent may access monthly Social Security and Supplemental Security Income benefits reporting for participants through TASS (Tenant Assessment SubSystem – formerly referred to as TEVS) via the VHDA website: www.vhda.org. Because each agent must access the website using their unique user id and password, any reports generated will be for that locality only.

4. In cases where a household member reports loss of benefits, a notification letter or some type of verification of termination of benefits is required.

D. Unemployment Compensation.

1. Verification form completed by the unemployment compensation board or agency.

2. Records from unemployment office stating dates and benefit amounts family is eligible to receive.

E. Child Support Payments or Alimony.

1. A copy of a separation or settlement agreement or a divorce decree describing amount and type of support.
2. A copy of the court records showing amount paid.
3. A notarized letter from the individual from whom the income is received.
4. A notarized letter from the individual receiving the income.

F. Family Assets Now Held. For non-liquid assets, collect enough information to determine the current cash value -- the net amount the family would receive if the asset were converted to cash (Refer to Policy 522).

1. Verification forms, letters or documents from a financial institution, broker, etc.
2. Passbooks, checking account statement, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
3. Quotes from a stockbroker or realty agent as to net amount family would receive if they liquidated securities or real estate.
4. Real estate tax statements if tax authority uses approximate market value.
5. Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the borrower.
6. Appraisals of personal property held as an investment.
7. Applicant's notarized statements or signed affidavits describing assets or verifying cash held at the applicant's home or in safe deposit boxes.

G. Savings Account Interest Income and Dividend Income. This information can often be obtained simultaneously with certain types of asset verification.

1. Written verification completed by the appropriate savings institution.
2. Account statements, passbooks, certificates of deposit, etc., provided the records contain sufficient information (e.g., interest rate) and are signed by the financial institution.
3. The Securities Exchange Commission requires that entities that issue stocks and bonds provide holders with quarterly statements of the value of the stocks or bonds and the earnings accredited to them during the preceding fiscal quarter. Although dividends vary according to the economic climate, the Administrative Agent may use the earnings of the past year to forecast the earnings of the coming year.
4. An IRS Form 1099 (Miscellaneous Income Statement) supplied by the financial institution may be used only if it accurately reflects the amount expected to be earned for the next 12-month period. This information would be meaningful only if neither the amount in such accounts nor the interest rates were expected to change.

H. Income Received From Sale of Real Property Pursuant to a Purchase Money Mortgage, Installment Sales Contract, or Similar Arrangement. Only interest payments received by the family are counted as income. Payments applied toward principal are not counted as income.

1. A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution that may have copies of the amortization schedule from which the amount of interest due for the subsequent 12-month period can be obtained.

2. Copy of an amortization schedule showing the amount of interest to be received for the subsequent 12-month period. A copy of the check paid by the buyer to the family is <u>not</u> sufficient since appropriate breakdowns of interest and principal are not included.

I. Rental Income from Property Owned by the family. The Administrative Agent must be certain he/she has sufficient verification of the gross rental income paid to the family and all relevant expenses paid by the family to determine the net amount of rental income received.

1. Lessor's written statement identifying monthly payments due the family and expenses paid by the lessor.

2. Copies of current or recent rent checks, leases, or utility bills.

3. Copies of complete tax statements, insurance premiums, bank statements or amortization schedules showing outstanding indebtedness and monthly principal and interest payments on the property and copies of any other relevant expenses for which the family is responsible in renting the property. Income from rental property is shown on Schedule E of IRS Form 1040.

J. Medical Expenses.

1. Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, etc., of the estimated medical costs to be incurred by the family which are not covered by insurance and the amount of regular payments due on outstanding medical bills to be paid during the next twelve months.

2. Written confirmation by the appropriate insurance companies or employers of health insurance premiums paid by the family.

3. Written confirmation from the Social Security Administration of insurance premiums paid by the family.

4. For Live-in Aide care, a certification from the doctor stating that the assistance is medically necessary.

5. Receipts, canceled checks, or pay stubs which indicate health insurance premium costs, etc., which verify medical expenses likely to also be incurred in the subsequent 12-month period.

6. Copies of canceled checks that verify payments made on outstanding medical bills that will continue for all or part of the subsequent 12-month period.

7. Receipts for actual amounts paid in traveling to receive the medical service (bus, plane, train or ambulance fare, parking and toll fees) or use the standard rate allowed per mile by IRS.

8. Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. This approach should be used for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, non-recurring expenses from the previous year.

K. Full-Time Student Status.

1. Written verification from the office of the registrar of a school dean, counselor, advisor, etc.

2. Written verification from a Veterans Administrative office.

3. School records indicating enrollment, such as paid fee statements, which show a sufficient number of credits to be considered a full-time day student according to the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

L. Child Care Expenses. Administrative Agents must be certain they are projecting the cost of childcare accurately for school age children (12 or under). Costs will be higher during the summer months when the children are not in school. Written verification must be obtained from the party receiving the payments. If more than one family member works, the Administrative Agent must determine which member is being enabled to work because childcare is provided. In some instances a family member works and also goes to school, this will require the childcare expense to be prorated so the correct portion is compared to the earned amount.

M. Need for Larger Unit Size Due to Medical Needs. Verification of such medical needs must be made by a reliable medical source that can certify that such arrangements are medically necessary.

N. Need for Person Essential to the Care of Disabled Family Member or a Live-in Aide. Obtain a written statement from a physician that a person is essential to the care of a family/individual.

O. Mobile Homeowner Mortgage Payments. Verification must be obtained from the mortgage company holding the mortgage on owner-occupied mobile homes to determine the monthly mortgage payment made. It must also be determined whether or not the mortgage payment includes furniture costs (for Mobile Home Space Rental Program only).

P. Recurring Gifts.

1. Notarized statement or affidavit signed by the person providing the assistance. Must give the purpose, dates and value of gifts.

2. Notarized statement or affidavit from applicant that provides the information in Paragraph R. 1 below.

Q. Assets Disposed of For Less Than Fair Market Value During Two Years Preceding Effective Date of Certification or Recertification.

1. For all Certifications and recertifications -- family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding effective date of the certification or recertification.

2. If the family certifies that they did dispose of assets for less than fair market value -- A certification that shows: (a) all assets disposed of for less than Fair Market Value; (b) the date they disposed of the assets; (c) the amount the family received; and (d) the market value of the asset at the time of disposition.

R. Net Income from a Business. The following documents show income for the prior years. Must consult with tenants and use this data to estimate income for the next 12 months.

1. IRS Tax Return, Form 1040, including any:

   Schedule C (Small Business), Schedule E (Rental Property Income), and Schedule F (Farm Income)

2. An accountant's calculation of depreciation expense computed using straight-line depreciation rules (required when accelerated depreciation was used on the tax return or financial statement).

3. Audited or unaudited financial statement(s) of the business.

4. Loan Application listing income derived from the business during the previous 12 months.

5. Notarized statement or affidavit from the applicant as to net income realized from the business during previous years.

S. Assistance to Handicapped.

1. Attendant Care:

   a) Attendant's written certification as to: amount received from the applicant/tenant; frequency of receipt; hours of care provided; and/or copies of canceled checks applicant/tenant used to make those payments.

   b) Certifications required by T. 3. below.

2. Auxiliary Apparatus:

   a) Receipts for purchases of, or evidence of monthly payments for auxiliary apparatus.

b) In the case where the handicapped person is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

3. In All Cases:

a) Written certification from a doctor or a rehabilitation agency that the handicapped person requires the services of an attendant or the use of auxiliary apparatus to permit the handicapped person to be employed or to function sufficiently independently to enable another family member to be employed.

T. Social Security Numbers

1. All family members age 6 and over are required to provide their Social Security Number or Employer Identification Number as a condition of initial or continuing eligibility **if they have one**.
2. If the family member does not have a Social Security Number, they sign a certification that they do not have one.
3. If they later receive a Social Security Number they must disclose it.
4. If the family member who is required to execute a certification is less than 18 years old, the individual, the individual's parent or guardian or another person, must execute the certification.
5. Verification forms may be used if they show the applicant's or participant's Social Security Number:

- Original Social Security Card
- Driver's License
- Employee identification card issued by a Federal, State or local agency
- Union identification card
- Identification from a private health insurance company, such as a health maintenance organization
- Pay stub from an employer
- Benefit award letters (e.g., retirement, unemployment etc.)
- Certified tax return
- Life insurance policies
- Court records

6. Applicants may not become participants until the documentation is provided.
7. If the applicant or participant can disclose the SSN but cannot meet the documentation requirements, the applicant or participant must provide a certification to that effect.
8. Participants will be given 60 days to provide their documentation and elderly persons may be given an additional 60-day extension.

9. Once a family member provides the correct documentation, they never have to do it again while they continue to be assisted.

10. New family members over 5 years of age will be required to verify (or certify, as applicable) their SSN information when the family reports the change in family composition, whether that be at an annual or interim recertification.

11. If the required family members do not provide the documentation, the Administrative Agent must deny eligibility.

12. If the participant family members do not provide the documentation as required, the assistance must terminate.

U. Adult Household Members with No Income

1. Each adult household member (18 years and older) that reports no income on each initial and annual recertification will be required to authorize the Sample Letter - Virginia Employment Commission Records (517-24) to obtain a payment history and wage record from the VEC. If a family had reported income previously, and then at the interim recertification reports no income on any adult household member, then the 517-24 form is not required at the interim.

V. Termination of Income

1. At a recertification where adult household members had previously reported income, and now report no income, verification of the termination of income must be obtained for each such adult member. Sample Letter - Termination of Employment (517-28).

2. At a recertification where adult household members had previously reported income other than earned income, and now report no income (e.g., Social Security, SSI, Pensions, etc.), a notification letter or some type of verification of termination of benefits is required.

W. Preferences

1. Preferences are verified when the family is selected from the Waiting List. Preferences are not verified when an applicant applies, however the applicant certifies that they meet one of the definitions. At the time of verifying income, assets, etc., preferences are also verified by using 517-29, 517-30, or 517-31 forms.

SAMPLE – CERTIFICATION OF DISABILITY/HANDICAPPED STATUS 517-1

This will authorize _____ to release the information requested below regarding my disability or handicap**.**

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City State Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance payment program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy.

Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed self-addressed envelope.

_____	_____	_____
Administrative Agent	Street Address State Zip	Position/Title
_____	_____	_____
Date	City	Telephone Number

TO BE COMPLETED BY EVALUATOR/DIAGNOSTICIAN

Persons with Disabilities: A disabled person is any of the following:

- has a disability as defined in Section 223 of the Social Security Act (42 U S C 423) defined as the
  1) Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or
  2) In the case of an individual who has attained the age of 55 and is blind and unable by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he/she has previously engaged with some regularity and over a substantial period of time.
- has a developmental disability as defined in Section 102(b)(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U S C 6001(7) which defines developmental disability in functional terms as a severe, chronic disability that:
  1) Is attributable to a mental and/or physical impairment or combination of mental and physical impairments,
  2) Is manifested before age 22,
  3) Is likely to continue indefinitely,
  4) Results in substantial functional limitation in 3 or more of the following areas of major life activity:

     Capacity for independent living, self-care, receptive and responsive language, learning, mobility, self-direction, economic self-sufficiency and reflects the person's need for a combination and sequence of special interdisciplinary, or generic care, treatment or other services which are of lifelong or extended duration and are individually planned and coordinated.
- has a physical, mental or emotional impairment that:
  1) Is expected to be of long-continued and indefinite duration,
  2) Substantially impedes his or her ability to live independently, and
  3) Is of such a nature that such ability could be improved by more suitable housing conditions.

Based on the above definitions, it is my opinion that the individual indicated above meets one of the definitions:

PLEASE CIRCLE THE APPROPRIATE ANSWER: YES NO

Additional Comments (e.g., any special situations, etc.):

(Continued)

I certify that the above information is true and correct:

Evaluator/Diagnostician's Name	Signature	Name of Organization
Mailing Address	City/State/ZIP	Telephone Number
Title	Date	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

SAMPLE – SEPARATED CUSTODY STATEMENT 517-2

I, _____, certify that I am separated from my spouse, _____, and have been since _____.

Though no court documents reflect the custody of my/our children, they will reside in my home at least six months or 183 calendar days of the year this certification covers.

They are listed below:

Name	Sex	Date of Birth
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

STATE OF _____

CITY/COUNTY OF _____

Sworn to and subscribed before me, this ___ day of _____, 20____.

My commission expires: _____

_____

Notary Public

WARNING: Section 1001 of the Title 18 U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United Stated as to any matter within its jurisdiction.

SAMPLE – EMPLOYMENT VERIFICATION OF INCOME

This will authorize _____ (employer) to release the information requested below regarding my employment compensation.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing, which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance payment program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family expenses, and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy.

Thank you for your cooperation in completing those applicable portions of this inquiry and returning in the enclosed self-addressed envelope.

_____	_____
Administrative Agent	Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

TO BE COMPLETED BY THE EMPLOYER

1. Date of Employment: _____ Position/Occupation: _____
2. Current Rate of Regular Pay: $_____ per _____ (hour/week/month/etc.)
3. Current Rate of Overtime Pay: $_____ per _____ (hour/week/month/etc.)
4. Number of hours/weeks employee normally works: _____
5. Anticipated average amount of overtime per week: _____
6. Gross annual earnings you anticipate for this employee for the next 12 months:_____ (Gross amount including all tips, bonuses, overtime, commissions)
7. Anticipated Tips, Commissions, Bonuses: $_____
8. Do you anticipate any change in the employee's rate of pay in the near future? YES / NO (*Please circle one*) If yes, Revised Rate _____ Effec. Date _____
9. Do you anticipate any change in the employee's rate of pay in the near future? YES / NO (*Please circle one*) If yes, please explain under #16 below
10. Does this employee receive vacation with pay? YES / NO (*Please circle one*)
11. Does this employee receive sick leave with pay? YES /NO (*Please circle one*)
12. Amount deducted for medical coverage: $_____
13. Amount deducted for savings plan: $_____
14. If the employee's work is seasonal or sporadic, indicate lay-off period(s): _____
15. Additional Comments:

(Continued)

I certify that the above information is true and correct to the best of my knowledge.

Print Name	Name of Employer
Signature	Mailing Address
Title	City/State/Zip
Date	Telephone Number

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

This will authorize _____ to release the information requested below regarding my employment and compensation.

Full Name (Please Print or Type)	Social Security Number
Signature	Street Address
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy.

Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City/State/Zip
Date	Telephone Number

Gross Earnings (Over next 12 months): $_____ Grade Level/Rank: _____

Monthly Base and Longevity Pay	$_____
Special Pay and Allowances	$_____
Hazardous Duty Pay	$_____
Proficiency Pay	$_____
Sea and Foreign Duty Pay	$_____
Imminent Danger Pay	$_____
Subsistence Allowance	$_____
Quarters Allowance (only for the amount Contributed by the Government)	$_____
Other	$_____
	$_____
	$_____
Total Monthly Entitlement	$_____
Number of Dependents Claimed	_____
Probability of continued enlistment	_____

I certify that the above information is true and correct to the best of my knowledge.

Print Name	Name of Employer
Signature	Mailing Address
Title	City/State/Zip
Date	Telephone Number

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

I, _____, certify that I am self-employed as _____.

Itemized below are my appropriate monthly earnings beginning :_____

JAN $_____	APR $_____	JULY $_____	OCT $_____
FEB $_____	MAY $_____	AUG $_____	NOV $_____
MAR$_____	JUNE $_____	SEPT $_____	DEC $_____

I further certify that the above is true and correct to the best of my knowledge and belief.

_____
SS# or Employer ID Number

_____
Signature of Family Member

_____
Mailing Address

_____
City/State/Zip

_____
Date

SUBSCRIBED AND SWORN TO, BEFORE ME, THIS _____
DAY OF _____, 20_____.

(Seal)

_____
Notary Public

My Commission Expires: _____

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

SAMPLE – VERIFICATION OF PUBLIC ASSISTANCE 517-6

This will authorize the Department of Social Services/Public Welfare to release information requested below regarding my welfare benefits.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses, and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

Monthly Grant Amount: $ _____ Specify Type of Grant: _____ Date of Initial Assistance _____
Monthly Grant Amount: $ _____ Specify Type of Grant: _____ Date of Initial Assistance _____
Monthly Grant Amount: $ _____ Specify Type of Grant: _____ Date of Initial Assistance _____

NOTE: If grant amount fluctuates due to wage earnings, child support, etc., please indicate <u>average</u> monthly grant.

Are monthly benefits currently being sanctioned? o Yes o No

If yes, the monthly amount being sanctioned: $_____

If yes, when will the sanction be lifted? _____

Members of the Assistance Unit:

Number of Adults: _____ Number of Minors: _____ Is other income available to the assistance unit? Yes____ No ____ If yes, identify source:_____

Is assistance to be continued? Yes ____ No ____

Case Closed Effective Date: _____

Comments:

_____

_____

_____	_____
Print Name	Agency Name
_____	_____
Signature	Mailing Address
_____	_____
Title	City/State/Zip
_____	_____
Date	Telephone Number

WARNING: Section 1001 of Title 18 of the U.S. code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

This will authorize the Social Security Administration to release information requested below regarding my Social Security benefits.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance the income of family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

---

1. Gross Monthly Payment $_____
2. Monthly Medical Insurance Premium $_____
3. Check type(s) of benefits

   _____ Social Security Retirement
   _____ Social Security Disability
   _____ Social Security Widow(er)
   _____ Social Security Child(ren)

   Supplemental Security Income including State Supplement

   _____ Old Age
   _____ Disability
   _____ Blind
4. Recipient's Date of Birth: _____
5. Other Types of Deductions:

Type	Amount
_____	$_____
_____	$_____

Remarks:

_____

_____

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Telephone Number
_____	
Date	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within is jurisdiction.

SAMPLE – VERIFICATION OF VETERAN'S BENEFITS 517-8

This will authorize the Veteran's Administration to release information requested below regarding my Veteran's benefits.

Full Name (Please Print or Type)	Social Security Number
Signature	Street Address
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City/State/Zip
Date	Telephone Number

---

1. Period of Active Duty From _____ to _____ From _____ to _____
2. Allowance for Education or Training: School o On-the-Job o
   Monthly Amount: $_____
   Effective Date of Current Award:_____ Ending Date: _____
   Name of Training Institution: _____
   Name and Address of Employer: _____
   _____
3. Compensation (service connected): Disability o Death o Dependency o Indemnity o
   Pension (non-service connected): Disability o Death o
   Effective Date of Current Award: _____ Monthly Amount: $_____
4. Other Payments (No Insurance, etc.): _____ Monthly Amount: $_____
5. Changes: If any change is contemplated, check here o and explain on reverse side.
6. Remarks (if any)

_____

_____

Print Name	Mailing Address
Signature	City/State/Zip
Title	Telephone Number
Date	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

This will authorize _____ (name of agency) to release information requested below regarding my retirement or pension compensation.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

Current Monthly Gross Amount of Pension or Annuity: $_____
Deductions from Gross for Medical Insurance Premium: $_____
Date of Initial Award: _____
Effective Date of Current Amount: _____
Date of Birth: _____

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Telephone Number
_____	
Date	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

SAMPLE – VERIFICATION OF UNEMPLOYMENT COMPENSATION 517-10

This will authorize _____(name of agency) to release information requested below regarding my unemployment compensation.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

Gross Weekly Payment: $_____
Date of Initial Payment: _____
Duration of Benefits (Weeks) _____
Is the Claimant eligible for further benefits: Yes o No o If no, what is the termination date of benefits? _____

_____	_____
Print Name	Date
_____	_____
Signature	Mailing Address
_____	_____
Title	City/State/Zip
_____	
Telephone Number	

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SAMPLE – VERIFICATION OF CHILD SUPPORT/ALIMONY 517-11

This will authorize the Juvenile Domestic Relations Court or _____ to release information requested below regarding my child support or alimony payments.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

Amount of Child Support paid each o week o month: $_____
Comments:
_____
_____

Amount of Alimony paid each o week o month: $_____
Comments:
_____
_____

_____	_____
Print Name	Telephone Number
_____	_____
Signature	Date
_____	
Title	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department of Agency of the United States as to any matter within its jurisdiction.

This will authorize _____ to release information requested below regarding my assets.

Full Name (Please Print or Type)	Social Security Number
Signature	Street Address
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provision of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City/State/Zip
Date	Telephone Number

Description of Property (to be completed by the Participant/Applicant)

- Type of Property (e.g., single-family detached dwelling, raw land, etc.): _____
- Address or Location (street address or legal description): _____
- Total Assessed Value (to be completed by the tax assessor's office): $_____

Print Name	Company/Agency Name
Signature	Mailing Address
Title	City/State/Zip
Date	Telephone Number

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the Unites States as to any matter within its jurisdiction.

This will authorize _____(bank or other financial institution) to release the information requested below regarding my assets.

Full Name (Please Print or Type)	Social Security Number
Signature	Street Address
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City/State/Zip
Date	Telephone Number

TO BE COMPLETED BY INSTITUTION

Checking Account

Account Number(s)	Average Monthly Balance(s)
_____	$_____
_____	$_____
_____	$_____

Is this an interest bearing checking account? Yes o No o
If yes, indicate APR:_____%

Savings Account

Account Number(s)	Present Acct Bal(s)	Annual Interest Rate	Withdrawal Penalty
_____	$_____	_____%	_____
_____	$_____	_____%	_____
_____	$_____	_____%	_____

Certificate of Deposit

Account Number(s)	Present Acct Bal(s)	Annual Interest Rate	Withdrawal Penalty
_____	$_____	_____%	_____
_____	$_____	_____%	_____
_____	$_____	_____%	_____

Trust

Value of Trust Fund administered: $_____
Anticipated Amount of Income to be earned by Trust over next 12 months: $_____

Property

Value of Equity in Real Property $_____

Print Name	Bank/Institution Name
Signature	Mailing Address
Title	City/State/Zip
Date	Telephone Number

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

SAMPLE – INCOME/ASSET VERIFICATION – STOCKS/BONDS 8-517-15

This will authorize _____(stock broker, accountant, other) to release information requested below regarding my assets.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

Value of Stock/Bond Portfolio $_____

Anticipated Yearly Dividends $_____

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Telephone Number
_____	
Date	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

This will authorize _____(Insurance Agent/Company) to release information requested below regarding my insurance policies.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

(Policy Numbers and Types are to be filled in by participant/applicant)

Policy Number	Type of Policy	Anticipated Annual Income*
_____	_____	$_____
_____	_____	$_____
_____	_____	$_____
_____	_____	$_____
_____	_____	$_____

* Periodic income, which you anticipate the insured will receive from the policy over the next 12 months, should be listed in
the column, if applicable.

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Telephone Number
_____	
Date	

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SAMPLE – VERIFICATION OF MEDICAL EXPENSES 517-17

This will authorize _____(Doctor, Hospital, etc.) to release information requested below regarding my medical expenses not covered by insurance.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

Type of service you provide to participant/applicant (check all appropriate)

o Physician and other health care professional care o Dental Care o Services of Health Care Facilities
o Prescription/Non-Prescription Medicines o Eye, Hearing and other supplies and equipment
o Other (*please specify*)_____

Projected cost of services during the next 12 months which are not covered by insurance and will be paid by the participant/applicant: $_____

Monthly amount participant/applicant has agreed to pay calculated on a 12-month basis: $_____

Does the participant/applicant require a private bedroom for medical reasons? Yes o No o N/A o

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Telephone Number
_____	
Date	

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SAMPLE – VERIFICATION OF MEDICATION EXPENSES 517-18

This will authorize _____(pharmacist, etc.) to release information requested below regarding my expenses for medications not covered by medial insurance.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

It is anticipated that _____ (participant's/applicant's name) will spend $_____ over the next 12-month period for medication as described below which is not covered by insurance:

Prescription Number	**Amount**	**Frequency of Refill (Check one)**
_____	**$**_____	o Monthly o Wkly o Bi-Monthly o _____
_____	**$**_____	o Monthly o Wkly o Bi-Monthly o _____
_____	**$**_____	o Monthly o Wkly o Bi-Monthly o _____
_____	**$**_____	o Monthly o Wkly o Bi-Monthly o _____

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Telephone Number
_____	
Date	

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SAMPLE – VERIFICATION OF PARTICIPANT'S/APPLICANT'S HOSPITAL PAYMENT PLAN 517-19

This will authorize _____(name of hospital) to release information requested below regarding my medical expenses.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

Account Number (to be filled in by participant/applicant): _____

Total amount of hospital bill not covered by insurance: $_____

Monthly amount family has agreed to pay (or will pay) calculated on a 12-month basis: $_____

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Telephone Number
_____	
Date	

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SAMPLE – VERIFICATION OF MEDICAL INSURANCE PREMIUMS 8-517-20

This will authorize _____(name of agency) to release information requested below regarding my medical insurance.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

Policy Number (to be filled in by participant/applicant:: _____

Amount paid for insurance: $_____ o Monthly o Yearly o Other:_____

Amount of deductibles: $_____

Total amount of hospital bill not covered by insurance: $_____

Monthly amount family has agreed to pay (or will pay) calculated on a 12-month basis: $_____

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Telephone Number
_____	
Date	

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SAMPLE – VERIFICATION OF STUDENT STATUS 517-21

This will authorize _____ (name of school) to release information requested below regarding my student status.

Full Name (Please Print or Type)	Social Security Number
Signature	Street Address
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City/State/Zip
Date	Telephone Number

---

1. Is the participant/applicant listed above enrolled as a full-time student? o Yes o No

2. Anticipated Completion Date: _____

I certify that the above information is true and correct.

Name of Official (Please Print or Type)	Name of Institution
Title	Mailing Address
Signature	City/State/Zip
Date	Telephone Number

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SAMPLE – VERIFICATION OF CHILD CARE EXPENSES 517-22

This will authorize _____(name of child care provider) to release information requested below regarding my childcare expenses.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

TO BE COMPLETED BY CHILD CARE PROVIDER

1. Name of child/children:

_____ _____
_____ _____

2. During the School Year, I/we are paid at the rate of $_____ per: (please check one) o week o bi-weekly o month o bi-monthly o hour

3. During School Vacation, I/we are paid at the rate of $_____per: (please check one) o week o bi-weekly o month o bi-monthly o hour

4. If paid on an hourly basis, how many hours per week is childcare provided:
during the school year: _____ hours per week
during school vacation: _____ hours per week

I certify that the above information is true and correct to the best of my knowledge.

_____	_____
Name of Official (Please Print or Type)	Title of Official (Please Print or Type)
_____	_____
Name of Child Care Provider (Please Print or Type)	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Date	Telephone Number

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

SAMPLE – VERIFICATION OF CARE ATTENDANT 8-517-23

This will authorize _____(name of care provider) to release information requested below regarding my care attendant expenses.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

It is anticipated that over the next 12 months, I/we will provide care for _____ (name of participant/applicant) as follows:

Rate per (check one) o hour o week o month: $_____

Anticipated total pay to be received over the next 12 months: $_____

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Date

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I/we have o/ have not o (please check one) disposed of any asset(s) for less than fair market value in the 2 years (24 months) preceding _____(effective date of certification/recertification).

If asset(s) were disposed of for less than fair market value, describe below.

The asset(s) I/we disposed of was/were:

_____

_____

Date of Disposition: _____

The fair market value of asset(s) I/we disposed of was/were:

_____

_____

The amount(s) received for the asset(s) I/we disposed of was/were:

_____

_____

Applicant/Participant Full Name (Please Print or Type)	Spouse's Full Name (Please Print or Type)
Applicant/Participant Signature	Spouse's Signature
Date	Date
Mailing Address	City/State/Zip

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SAMPLE – VERIFICATION OF TERMINATION OF EMPLOYMENT 517-25

This will authorize _____ (name of company) to release information requested below regarding my termination of employment.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

Employee's Name: _____ SSN#_____ Other #_____

Employee's Address_____

Date Employed: _____ Last Date Employee Actually Worked:_____

Will employee receive additional pay for unused vacation/annual or sick leave? o Yes o No

If answer to above is yes, state amount employee will receive: $_____

Will employee receive any additional paycheck for any workmen's compensation? o Yes o No

If yes, give the name and mailing address of company through which compensation may be verified:

_____	_____
Company Name (Please Print or Type)	Mailing Address
	_____
	City/State/Zip

Reason for Termination (Please check one): o Employee Quit o Terminated for Cause o Lack of Work

If terminated for lack of work or other, do you anticipate re-hiring this employee? o Yes o No

If yes, when? _____

_____	_____
Print Name	Company Name
_____	_____
Signature	Mailing Address
_____	_____
Title	City/State/Zip
_____	_____
Date	Telephone Number

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This will authorize _____(name of agency) to release information requested below regarding my housing assistance.

_____	_____
Full Name (Please Print or Type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will beheld in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

I hereby verify that the above name person (check all that apply):

1. o Has no outstanding balance owed.

2. o Has an outstanding balance owed in the amount of $_____. At this time no arrangements have been made to pay.

3. o Has an outstanding balance owed in the amount of $_____. Arrangements have been made to clear this balance, and you are hereby released to process the application for housing.

4. o Has left the unit in violation of the lease, committed fraud and/or misrepresentation regarding any information affecting eligibility or level of benefits.

_____	_____
Print Name	Mailing Address
_____	_____
Signature	City/State/Zip
_____	_____
Title	Telephone Number
_____	
Date	

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SAMPLE – VERIFICATION OF VIRGINIA EMPLOYMENT COMMISSION RECORDS 517-27

This will authorize the VIRGINIA EMPLOYMENT COMMISSION (VEC) to release information contained in my payment history and wage record.

Full Name (Please Print or Type)	Social Security Number
Signature	Street Address
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The payment history/wage record information requested will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in providing the payment history and wage record information and returning in the enclosed, self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City/State/Zip
Date	Telephone Number

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CERTIFICATION OF LACK OF A SOCIAL SECURITY NUMBER 517-28

I, _____, certify that I do not possess a Social Security Number (SSN), as I have never been issued a number by the Social Security Administration of the Department of Health and Human Services. If I obtain a previously undisclosed SSN, or receive a new SSN, I will submit the information at my next annual recertification.

_____	_____
Full Name (Please Print or Type)	Street Address
_____	_____
Signature/Guardian	City/State/Zip
_____	_____
Date	Telephone Number

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

This will authorize _____(owner/landlord) to release information requested below regarding my housing.

Full Name (Please Print or Type)	Social Security Number
Signature	Street Address
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is an applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulation require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City/State/Zip
Date	Telephone Number

LANDLORD CERTIFCATION OF RENT

Address of Unit: _____

Monthly Rent: $_____

Estimated Cost of Utilities per Month $_____

Utilities Tenant is Responsible for:

_____

_____

Has the applicant been paying this rent for less than 90 days? o Yes o No (Please check one)

I certify that the above information is true and correct to the best of my knowledge.

Print Name	Mailing Address
Signature	City/State/Zip
Title	Telephone Number
Date	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

SAMPLE – CERTIFICATION OF INVOLUNTARY DISPLACEMENT 517-30

This will authorize _____(firm/agency) to release the information below regarding my displacement status.

Full Name (Please Print or Type)	Social Security Number
Signature	Street Address
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is an applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City/State/Zip
Date	Telephone Number

CERTIFICATION OF INVOLUNTARY DISPLACEMENT

Please complete the information requested, and sign the certification below regarding the displacement status of the family. The family has been (or will be) involuntarily displaced for the following reason(s): (Check all that apply)

o A. A disaster such as a fire or flood, that has made the unit uninhabitable.

o B. An activity carried on by an agency of the United States or by any state or local government body or agency in connection with code enforcement of a public improvement or development program.

o C. An action by an owner which resulted in the applicant's having to vacate his/her unit, where:
- u the reason for the owner's action is beyond the applicant's ability to control or prevent
- u the action occurred despite the applicant's having met all previously imposed conditions of occupancy
- u the action taken is other than a rent increase

o D. Actual or threatened physical violence directed against the applicant or one or more members of the applicant's family by a spouse or other member of the applicant's household caused the applicant to leave his/her housing unit, or the applicant lives in a housing unit with such an individual who engages in such violence.
Date of last occurrence:_____ Date(s) of Other Occurrences:_____
Is violence of a continue nature? o Yes o No

o E. Family members provided information on criminal activities to a law enforcement agency, and based on a threat, family members are a victim of reprisal for providing such information.

o F. One or more members of the applicant's family are, or recently have been, the victim of one or more hate crimes, and the applicant has vacated a housing unit because of such crime, or the fear associated with such crime has destroyed the applicant's peaceful enjoyment of the unit. (Hate crime means actual or threatened physical violence or intimidation, origin, handicap, or familial status.)

o G. A member of the family has a mobility, or other impairment, that makes the person unable to use critical elements of the unit, and the owner is not legally obligated to make the changes to the unit that would make critical elements accessible to the disabled person.

o H. Family does not meet any of the conditions listed above to the best of my knowledge.

Firm/Agency Name (Please Print or Type)	Firm/Agency Mailing Address
Professional Title	City/State/Zip
Signature	Telephone Number
Date	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

SAMPLE – VERIFICATION OF SUBSTANDARD HOUSING 8-517-31

This will authorize _____ (firm/agency) to release the information requested below regarding my substandard housing.

Full Name (Please Print or Type)	Social Security Number
Signature	Street Address
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is an applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City/State/Zip
Date	Telephone Number

CERTIFICATION OF SUBSTANDARD HOUSING

Please check the appropriate box and sign the certification below regarding the substandard housing condition of the family.

o A. The family is living in substandard housing per the enclosed definition; list the defect(s):
_____
_____
_____

o B. The family is homeless (see enclosed definition)

o C. To the best of your knowledge, the family does not meet the above conditions.

Comments (*if any*):
_____
_____
_____

Firm/Agency Name (Please Print or Type)	Firm/Agency Mailing Address
Person Completing This Form (Please Print or Type)	City/State/Zip
Professional Title	Telephone Number
Signature	Date

WARNING: Section 1001 of Tile 18 of the United States Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

SAMPLE – BUSINESS INCOME VERIFICATION

_____	_____
Full Name (Please Print or Type)	Street Address
_____	_____
Social Security Number	City/State/Zip

Date Business Opened: _____

Type of Business: _____

The following statement of income is based upon the business transacted during the period from _____, 20____ to _____, 20_____.

1.	Gross Income	$_____
2.	Expenses:	
	a. Interest on loan(s)	$_____
	b. Cost of Goods/Materials	$_____
	c. Rent	$_____
	d. Utilities	$_____
	e. Wages & Salaries	$_____
	f. Employee Contributions	$_____
	g. Federal Withholding Tax	$_____
	h. State Withholding Tax	$_____
	i. FICA	$_____
	j. Sales Tax	$_____
	k. Other (Itemize on Reverse)	$_____
	l. Straight Line Depreciation	$_____
	Total Expense(s):	$_____
3.	Net Income	$_____

I certify that the above information is true and correct to the best of my knowledge.

_____	_____
Signature	Date

WARNING: Section 1001 of Title 18 of the U. S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

This will authorize _____ to release information requested below regarding my handicap assistance expenses.

_____	_____
Full Name (Please Print or type)	Social Security Number
_____	_____
Signature	Street Address
_____	_____
Date	City/State/Zip

TO WHOM IT MAY CONCERN: The individual named above is a participant/applicant for housing which has rents that are subsidized through the U.S. Department of Housing and Urban Development's housing assistance program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses and other information related to eligibility must be verified. The information requested below will be held in strict confidence as is required under the provisions of the Government Data Collection and Dissemination Practices Act, and will be used only to determine the eligibility of the family for the housing subsidy. Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

_____	_____
Administrative Agent	Street Address
_____	_____
Position/Title	City/State/Zip
_____	_____
Date	Telephone Number

The participant/applicant has the following handicap care expenses:

		Amount
o	**Retrofitting a Vehicle** (Count only the cost to make the vehicle usable by the handicapped person who has to use it, not the total cost of the vehicle.)	**$**_____
o	**Attendant Care** (Note: If the same person provides attendant care and child care, use the child care verification form to cover this expense.)	**$**_____
o	**Auxiliary Aid** (EXAMPLE: Powered wheelchair)	$_____
o	Other (*Please specify below*): _____ _____ _____ _____	$_____

Will any of these expenses by reimbursed by an outside source? o Yes o No o Unknown

If yes, mark the expense(s) above for which the participant/applicant will be reimbursed with an asterisk (*).

Amount Reimbursed: $_____ By Whom:_____

Amount Reimbursed: $_____ By Whom:_____

Amount Reimbursed: $_____ By Whom:_____

I certify that the above information is true and correct to the best of my knowledge.

_____	_____
Agency/Firm Name (Please Print or Type)	Agency/Firm Mailing Address
_____	_____
Person Completing This Certification (Please Print or Type)	City/State/Zip
_____	_____
Position/Title	Telephone Number
_____	
Date	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statement or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

518: DETERMINING ANNUAL INCOME

EFFECTIVE DATE: June 2002

DETERMINING ANNUAL INCOME

Annual Income means all amounts, monetary or not, which:

- Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
- Are anticipated to be received from a source outside the family during the 12-month period following admission or annual recertification effective date; and
- Which are not specifically excluded in Part B of the policy
- Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

PART A. <u>ANNUAL INCOME INCLUDES , BUT IS NOT LIMITED TO</u>:

1. The full amount, before any payroll deductions or garnishments, of wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services of all adults of the household;
2. Net income from operation of a business or profession. Expenditures of business expansion, amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in IRS regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent that the withdrawal is reimbursement of cash or assets invested in the operation by the family;
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph 2 of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has Net family Assets in excess of $5,000, Annual Income shall include the greater of the actual income received from all Net family Assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;
4. The full amount of periodic payments received from Social Security payments, annuities, insurance policies, retirement funds, pensions, disability

or death benefits, and other similar types of periodic receipts, including a lump-sum payment of the delayed start of a periodic payment;

5. Payments in lieu of earnings, such as unemployment, workers' compensation and severance pay;

6. Welfare Assistance. If the Welfare Assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:

   (I) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

   (ii) The maximum amount that the Welfare Assistance agency could in fact allow the family for shelter and utilities. If the family's Welfare Assistance is ratably reduced form the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage;

   Note: Welfare Assistance in not applicable in Virginia.

7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;

8. All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family, or spouse;

9. Count all income of every family member who is temporarily absent;

10. If a household member is confined to a nursing home or hospital on a long-term basis (six or more months), exclude the income, and not take any deductions for the individual; count the income for a temporary absence; and

11. Relocation payments made under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

PART B. ANNUAL INCOME EXCLUDES:

(NOTE: All excluded income must be verified and reported on the HUD 50058 on line 7e.)

1. Income from employment of children (including foster children) under the age of 18 years;

2. Payments received for the care of foster children and foster care adults (usually persons with disabilities, unrelated to the family, who are unable to live alone);

3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation, SSI and Social Security), capital gains and settlement for personal or property losses;

4. Amounts received by the family, that are specifically for or in reimbursement of the cost of medical expenses for any family member;

5. Income from a Live-in Aide:

   A live in aide is defined as a person who resides with an elderly or disabled person(s) and who:

   - Is determined by the Administrative Agent to be essential to the care and well-being of the person(s);
   - Is not obligated for support of the person(s);
   - Would not be living in the unit except to provide necessary supportive services;
   - Relatives are not automatically excluded. The relative must meet the requirements stated above to qualify;
   - HUD originally anticipated that a live-in aide would be one person. Experience has shown that live-in aides have families who desire to live with them in the unit. HUD has established a compromise position: The live-in aide's family members may reside in the unit provided that:
     - ♦ it does not increase the subsidy by the cost of an additional bedroom; and
     - ♦ the presence of the live-in aides' family member does not overcrowd the unit.

6. The full amount of student financial assistance paid directly to the student or to the educational institution;

7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

8. Training Programs-

   - Amounts received under training programs funded by HUD;
   - Amounts received by a Disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) ;
   - Amounts received by a participant in other publicly assisted programs which are specifically for other reimbursement of out-of pocket expenses (special equipment, clothing, transportation, child, etc.) and which are made solely to allow participation in a specific program;
   - Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed $200 per month received by a resident for performing a service for the HA or owners on a part-time basis, that enhance the quality of life in the development. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No resident

- Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs Including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training program with clearly defined goals and objectives, and are excluded only for the period which the family member participates in the employment training program;

9. Temporary, nonrecurring or sporadic income (including gifts);

10. Reparation payments made by foreign governments pursuant to claims filed under the laws of that government by person who were persecuted during the Nazi era;

11. Earnings in excess of $480 for each full-time student 18 years or older (excluding head or spouse);

12. Adoption assistance payments in excess of $480 per each adopted child;

13. Deferred periodic payments of SSI and Social Security benefits that are received in a lump-sum payment or prospective monthly amounts;

14. Amounts received by family in the form of refunds or rebates under state of local law for property taxes paid on the dwelling unit;

15. Amounts paid by state agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the disabled family member at home;

16. Amounts specifically excluded by any other Federal status from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the U.S. Housing Act of 1937. A notice will be published in the *Federal Register* and distributed to Administrative Agents and owners identifying the benefits that qualify for this exclusion. Updates will be published when necessary;

17. Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

18. Value of allotment provided to an eligible household under the Food Stamp Act of 1977;

19. Payments under the Domestic Volunteer Services Act of 1973 are excluded. These programs include:

    - VISTA - Volunteers in Service to America
    - RSVP - Retired Senior Volunteer Program
    - Foster Grandparents
    - Senior Companion Programs

20. Payments received under the Alaska Native Claims Settlement Act;

21. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes;

22. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program;

23. Income derived from the disposition of funds of the Grand River Band of Ottawa Indians;

24. The first $2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Grant of Claims or from funds held in trust for an Indian tribe by the Secretary of the Interior;

25. Payments received from programs funded under Title V of the Older Americans Act of 1965. The Senior Community Service in Employment Program (SCSEP) is funded through the Department of Labor. This program is administered by national contractors such as:

    - Green Thumb
    - AARP - American Association of Retired Persons
    - NCOA - National Council on Aging
    - National Council on Senior Citizens (sometimes called Senior Aides)
    - US Forest Services
    - NCBA - National Caucus for Black Aged
    - Urban League
    - National Association for the Spanish Elderly
    - State coordinators for Title V can provide a list of additional contractors who administer Title V
    - Even if there is 90% federal and 10% local funding, 100% of the income funded through Title V is excluded.

26. Payments received after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);

27. Exclude amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal Work Study Program of under the Bureau of Indian Affairs Student Assistance;

28. Exclude the value of any child care provided or arranged (or any amount received as payment for such care of reimbursement of costs incurred for such care) under the Child Care and Development Block Grant Act of 1990;

Earnings received from being a Census Taker:

- Exclude reimbursements provided by a publicly assisted program to cover a person's out of pocket expenses which are made solely to allow participation in the program
- Examples include transportation, child care and other work-related expenses when a welfare recipient works in a non-profit agency to acquire job skills (Community Work Experience Program), or, if skilled, looks for a job (Employment Search Program)
- Applicable to volunteer fire fighters

29. Exclude all payments to trainees participating in the Job Training Partnership Act, even if the training payments are funded jointly;
30. Exclude tenant training income funded under the Comprehensive Improvement Assistance Program;
31. Amounts residents earn under Resident Initiatives Program in Public Housing are excluded to the extent the training is funded by HUD;
32. Exclude payments to disabled persons pursuing a Plan for Achieving Self Support (PASS) - received under HHS and encouraged by SSI program. These are disregarded by SSI for a limited time.; Income of permanently absent household members;
33. Income of permanently absent household members;
34. Earned income tax credit refunds received on or after January 1, 1991;
35. Any military income earned by persons serving in Operation Desert Storm Combat Zone starting January 17, 1991; and
36. Income earned as Imminent Danger Pay (Hostile Fire Pay) by persons serving in Combat Zone starting August 2, 1990.

PART C. CONVERTING INCOME:

1. Use current circumstances to anticipate income, unless verification forms indicate an imminent change.
2. Income must be converted to annual figures. To annualize full employment, multiply:
    - hourly wages by 2080 hours
    - weekly wages by 52
    - bi-weekly amounts by 26
    - semi-monthly amounts by 24
    - monthly amounts by 12
3. To annualize income from other than full-time employment, multiply:
    - hourly wages by the number of hours the family expects to work annually

- o average weekly amounts by the number of weeks the family expects to work
- o other periodic amounts (monthly, bi-weekly, etc.) by the number of periods the family expects to work

4. Use an annual wage without additional calculations. For example, if a teacher is paid $15,000 a year, use $15,000 whether the payment is made in 12 monthly installments, 9 installments or some other payment schedule.

5. If a family indicates that income might not be received for the full 12 months (e.g., unemployment insurance), still annualize the income and advise the family to report any subsequent loss of the income so that rents may be recalculated.

PART D. IMPUTED INCOME FROM ASSETS:

1. If net family assets exceed $5,000, Annual Income must include the greater of:

   a. The actual income from assets; or

   b. An imputed income from assets. Impute income by multiplying total net family assets by the interest rate specified in Paragraph D 2. below. Figure D-1 provides an example of this calculation.

2. The passbook rate is determined by HUD notice.

Figure D-1

Type of Asset	Cash Value of Asset	Actual Income Per Year
Checking Account	$300	$0
Savings Account	2,000	115
Certificates of Deposit	10,000	986
Rental Property	15,000	0
TOTAL	27,300	1,101

(1) Since total assets exceed $5,000, imputed income must be calculated.

uTotal Assets x DIDC Passbook Rate = $27,300 x .0550 = $1,502.

(2) Annual income must include the $1,502 imputed income because it is greater than the actual income received on the assets.

PART E. LUMP-SUM INCOME:

1. 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 or personal or property losses, *are not included in income.*

2. Lump-sum payments *caused by delays* in processing periodic benefits such as welfare or unemployment *are counted as income*.

3. Lump-sum payments caused by delays in processing periodic payments for Social Security or SSI are not counted as income.

4. The Administrative Agent will calculate the lump sum retroactively, going back to the date the lump sum was to be considered, as long as that date is not prior to the program participation. If the lump-sum period started 5 months ago, for example, the entire lump-sum amount will be added to the Annual Income in effect 5 months ago and the TTP and TR are recalculated. The new TR is taken time the number of month that had elapsed until the current calculation and the difference between what was paid what should have been paid is determined. VHDA will determine whether to offer an Agreement to Repay or whether the entire amount must be repaid in one payment.

5. Attorney fees may be deducted form lump-sum payments when computing Annual Income when the attorney's efforts have recovered a lump-sum compensation for the wrongful reduction or denial of a periodic payment and the recovery does not include an additional amount in full satisfaction of the attorney fees. In these situations, the family does not actually recover the

entire amount of the past due periodic payment because the family must pay the attorney fees.

This situation does not include those in which an amount is withheld form funds otherwise due the family to satisfy financial obligations unrelated to obtaining the income (e.g., withholding from wages to pay child support, alimony or a judgment creditor, garnishment for failure to pay child support, alimony or a judgment creditor).

The situation does not include those where a family incurs attorney fees unrelated to asserting a right to a source of income or where no income results from the attorney's actions. These are the financial responsibility of the family and are not deducted in determining Annual Income.

PART F. ALIMONY AND CHILD SUPPORT:

Count the amount specified in a divorce settlement or separation agreement unless the applicant:

1. Certifies the income is not being provided; and
2. Has made reasonable effort to collect the amounts due, including filing with courts or agencies responsible for enforcing payments.

PART G. TEMPORARILY OR PERMANENTLY ABSENT FAMILY MEMBERS:

The Administrative Agent will need to determine what circumstances cause the family members to be absent and whether the income is available to the household. Generally, the following principles would apply:

- If a person is temporarily absent from the household, their income is counted, they are considered in the determination of the appropriate bedroom size, and they are listed on the lease and the HUD-50058.
- If a person is permanently absent from the household, they are not considered in the determination of the appropriate bedroom size, their income is not counted, and they are not listed on the lease or the HUD-50058.

Each situation may require a case-by-case decision by the Administrative Agent using the following examples as general guidelines:

1. HOSPITALIZATION

   If a member of the household has to leave the unit to go to a medical facility or a nursing home, advice from a medical source will be required as to the length of the stay. If the medical source states they will be permanently confined (six months or more), they will be considered permanently absent. If they are temporarily confined (less than six months), they will not be considered permanently absent.

2. ADULT LEAVES AND CHILDREN REMAIN

If a single parent leaves the unit and another adult is brought in to take care of the children while the parent is away, the family circumstances will need to be evaluated as to the length of time the original head of household will be absent. The owner will need to be consulted as to whether the substitute head of household can live in the unit either temporarily or permanently. A substitute head of household must be in the household in order to prevent termination of assistance for the unit. All parties will need to decide what arrangement is best. A change in family composition may result in an interim recertification if the stay by the other adult (s) total more than six consecutive months (income will need to be counted and the additional household members added to the program documents and lease). The family file must document the need to have a substitute head of household remain in the unit for a temporary (less than six months) visit. It will not be a conflict with the model lease regarding "remaining in the unit for more than thirty days in a calendar year," in this given situation. If the substitute head of household will live in the unit six months or less, the family file needs to be documented (no interim recertification or changes to program documents).

3. SPOUSE LEAVES

If the husband or wife obtains a divorce or legal separation, the person who leaves the household will be considered permanently absent.

Acceptable sources to substantiate separated spouse situations:

- Court/legal documents that indicate separation, divorce or child support;
- Court records that indicate incarceration;
- Evidence of domestic violence;
- Receipt of welfare assistance that is based on a spouse not being present in the home; or
- Verification from the departing spouse that they are leaving the home.

4. HOUSEHOLD MEMBER INCARCERATED

If a member of the household or the sole member of the household is incarcerated for *thirty consecutive days or more*, the Administrative Agent will determine whether to consider the family member(s) as either temporarily or permanently absent on a case-by-case basis. This decision may be contingent upon waiting until sentencing occurs or until verification of the length of incarceration is known.

If a member of the household or the only member of the household is incarcerated for *less than thirty days*, they will be considered temporarily absent.

5. ADULT CHILD

If an adult child goes into the military and leaves the unit, they will be determined permanently absent.

A student who attends school away from home but lives with the family during school recesses may be considered permanently absent or temporarily absent at the family's option.

6. JOINT CUSTODY OF CHILDREN

Children must reside in the household at least six months or 183 calendar days per year. The months or days do not have to be consecutive. Children that reside in the household at least six months or 183 calendar days are considered household members.

If a parent or legal guardian provides proof of visitation rights that would equal at least six months or 183 calendar days per year, the children will be counted in the subsidy issuance size and the household would receive the $480 dependent allowance.

When both parents/legal guardians are an applicant and/or program participant, and both are trying to claim the child, the parent/legal guardian that claims the child for income tax purposes or whose address is listed in the school records will be allowed to claim the school-age child as a dependent and receive the $480 dependent allowance.

7. VISITORS

Visitors are allowed, but any person not included as a part of the household on the HUD Form 50058 (Family Report) that has been in the unit more than 30 consecutive days (or for a total of 60 calendar days in a 12-month period) without prior approval from the Administrative Agent will be considered to be living in the unit as an unauthorized household member. The Interim Reporting Requirements (8-910-1) and family obligations under the program require changes in family composition to be reported within 30 days. Therefore, a person who stays in the unit 30 consecutive days can expect the Administrative Agent and owner to determine whether or not to add the person to the household or unit. The circumstances for the "visit" may permit the person not to be added to the household and unit, but the family file must document the circumstances.

Absence of evidence of any other address will be considered verification that the visitor is a member of the household.

Use of the unit address, as the visitor’s current residence for any purpose that is not clearly temporary, shall be construed as a permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household. In this case, the assistance will be terminated since prior approval from the Administrative Agent was not requested for the household addition.

Minors and college students who were a part of the family, but who now live away from home during the school year (and are no longer on the lease) may visit for up to 180 calendar days per year without being considered a member of the household.

PART H. TREATMENT OF OVERPAYMENT WITHHOLDING DUE TO AGENCY ERROR:

1. If a recipient's benefits are reduced to make up for a prior overpayment, the recipient's income should include the amount the agency will provide, not the amount that would have been provided if no error had been made.

   Example: A recipient entitled to receive $600 per month in Social Security benefits might mistakenly have been provided $700 per month for a time. After the error is discovered, the person might receive $500 per month for a while to compensate for the prior overpayment, then start receiving $600 per month. The Administrative Agent should include the $500 per month as income for the period the person is anticipated to receive that amount. In this example, if the recipient has been in the program for some time, the recipient will already have been charged rent based on $700 per month. To charge rent now based on a theoretical $600 per month instead of the actual $500 per month would, in effect, be charging rent twice on the additional $100. Even if the Social Security recipient has entered the program recently, however, the recipient's rent should now be based on $500 per month, since that is the amount that is anticipated. If the recipient has elected to have an amount automatically deducted to pay for Medicare Part B coverage, that amount must be added back to determine the recipient's full Social Security income.

519: INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

EFFECTIVE DATE: October 1999

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

- Fraud; or
- Failure to participate in an economic self-sufficiency program; or
- Noncompliance with a work activities requirement

However, the Administrative Agent will reduce the rent if the welfare assistance reduction is a result of:

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

The Administrative Agent will notify affected families that they have the right to an informal review regarding these requirements.

522: DETERMINING A FAMILY'S ASSETS

EFFECTIVE DATE: February 1998

ASSETS

- The income from assets can affect the family's TTP because of the requirement to impute income if assets are greater than $5,000 (Refer to Policy 520).

- Therefore, when counting assets, Administrative Agents must take into consideration the expenses involved in converting assets to cash, such as:

  Penalties for premature withdrawal,
  Broker and legal fees, or
  Settlement costs for real estate transactions.

FAMILY ASSETS INCLUDE:

- Amounts in savings and checking accounts. Current amounts in savings accounts and the average balance for the last 6 months in checking accounts. Disregard normal amounts in a family's checking account that is required to meet the family's normal day-to-day needs.

- Stocks, bonds, savings Certificates, money market funds and other investment accounts.

- Equity in real property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) would be incurred in selling the asset.

- The face value of trusts that are available to the household. Do not include irrevocable trusts.

- IRA, Keogh and similar retirement savings accounts, even though withdrawal would result in a penalty.

- Contributions to company retirement/pension funds:

  - While an individual is employed, count only amounts the family can withdraw without retiring or terminating employment.

  - After retirement or termination of employment, count as an asset any amount the employee elects to receive as a lump sum.

- Include in annual income any benefits received through periodic payments.

♦ Assets that, although owned by more than one person, allow unrestricted access by the applicant.

♦ Lump sum receipts such as inheritances, capital gains, lottery winnings, cash from sale of assets, insurance settlements, Social Security, and SSI lump-sum payments, and other claims.

♦ Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.

♦ Cash value of life insurance policies.

♦ Assets disposed of for less than fair market value during the two years preceding examination or reexamination. Count the difference between the market value and actual payment received.

For example: Applicant "sold" home to daughter for $5,000. The home was valued at $19,500 and had no loans secured against it. The applicant paid broker's fees and settlement costs of $1,700. The amount to be included in family assets is $12,800 (19,500 –5,000 –1,700 = 12,800).

- HUD does not specify a minimum threshold for counting assets disposed of for less than fair market value. Housing Authorities may establish a threshold in their Administrative Plan that will enable them to ignore small amounts such as charitable contributions. For purposes of the Certificate, Project-based Certificate, Voucher and Mod Rehab Programs, there is a $1000.00, threshold that can be ignored.

- Generally, assets disposed of as a result of a divorce or separation are <u>not</u> considered to be assets disposed of for less than fair market value.

- Assets disposed of as a result of foreclosure or bankruptcy are <u>not</u> considered to be assets disposed of for less than fair market value.

- Verification of assets disposed of for less than fair market value is generally by applicant certification.

u Need to verify only those certifications that warrant it.

523: DETERMINING AN ELDERLY/DISABLED FAMILY'S MEDICAL EXPENSES

EFFECTIVE DATE: July 1996

Medical Expenses

- The medical expense deduction is permitted **ONLY** for households in which the **head or spouse** is at least 62 years old or disabled.
- If the household is eligible for a medical expense deduction, the medical expenses of all family members are counted.
- Medical expenses are expenses anticipated to be incurred during the 12 months following certification/recertification, which are not covered by an outside source such as insurance. They may include:
  - Services of doctors and health care professionals
  - Services of health care facilities
  - Medical insurance premiums
  - Prescription/non-prescription medicines
  - Transportation to treatment
  - Dental expenses, eyeglasses, hearing aids, batteries
  - Live-in or periodic medical assistance
  - Monthly payment on accumulated medical bills
  - Medical care of a permanently institutionalized family member IF his/her income is included in annual income.
- Generally, if IRS allows the expense as a medical expense, then the program counts it as a medical expense.

  Example:
  Head 62
  Spouse 65

Annual Income	$12,000
Total Medical Expenses	$1,500

$12,000	Annual Income
x .03	
$360	3% of Annual Income
$ 1,500	Total Medical Expenses
-360	
$ 1,140	Allowable Medical Expenses

SPECIAL CALCULATION FOR HOUSEHOLDS WHO ARE ELIGIBLE FOR HANDICAP ASSISTANCE AND MEDICAL EXPENSES

- If a family has both medical expenses and handicap assistance expenses, a special calculation is required.

- Three percent of annual income must first be deducted from the handicap assistance expenses. Any remainder is then deducted from total medical expenses.

Example #1: family has $1,000 in medical expenses and $500 in expenses for handicap assistance. Annual income is $20,000. $4,000 of annual income is earned because the handicap care enables a family member to work. Three percent of annual income is $600.

Total Handicap Assistance Expense		$500
Minus:	Three percent of Annual Income:	-600
		($100)
Handicap Allowance		$0
Total Medical Expense:		$1,000
Minus:	Balance of 3% of Annual Income:	-100
Allowable Medical Expense		$900

Example #2: family has $2,000 in medical expenses and $3,500 in expenses for handicap assistance. Annual Income is $20,000. $2,400 of annual income is earned because the handicap assistance enables a family member to work. Three percent of annual income is $600.

Total Handicap Assistance Expense:		$3,500
Minus:	3% of Annual Income	-600
		$2,900
Allowance for Handicap Assistance (cannot exceed income generated)		$2,400

Total Medical Expense:	$2,000
Minus: Balance of 3% of Annual Income	- 0
Allowable Medical Expense: (entire 3% was deducted to compute the handicap allowance)	$2,000

524: DETERMINING A FAMILY'S CHILD CARE EXPENSES

EFFECTIVE DATE: January 2002

Allowance for childcare expenses applies only to amounts paid for care of children (including foster children) age 12 and younger during the period for which annual income is computed, if:

- Such care will enable a family member to attend vocational or academic courses, to work, or seek new employment after losing a job;
- No adult household member capable of providing child care is available during the hours the care is needed;
- The amount deducted is reasonable for the hours and type of care provided;
- The amount is NOT paid to a family member living in the household; and
- The amount is not paid or reimbursed by an agency or individual outside the household.
- The amount deducted is the lowest of incomes earned.

♦ If the individual or organization providing the childcare also cares for other family members, the Administrative Agent must prorate the total cost and allocate a specific amount for the care of children 12 and younger. The proration must be reasonable in terms of the hours and type of care.

♦ Any expense allowed to enable a family member to work cannot exceed the amount of employment income (of the family member enabled to work) included in annual income. If both child care and handicap assistance are needed to enable a family member(s) to work, refer to Policy 527.

♦ The following amounts must NOT be deducted as child care expenses:

- Child support payments for children who do not live in the unit; or
- Expenses for the care of handicapped or disabled family member age 13 older (Policy 527 explains how to treat these expenses).

525: DETERMINING A FAMILY'S DEDUCTION FOR DEPENDENT ALLOWANCE

EFFECTIVE DATE: January 1997

The allowance for dependents is $480. A dependent is any household member who is:

- 17 years old or younger;
- a person with a disability of any age; or
- a full-time student of any age. The student must carry a subject load considered full-time by the educational institution attended. The institution may be a vocational school offering a diploma or Certificate or an institution offering a high school diploma or college degree.

A dependent allowance is not given to the head, spouse, foster child or adult or a live-in aide **(the term co-head has been deleted).**

Note: The HUD-50058 does not list a "Family Member Code" as Co-Head. A Co-Head would be identified as "A" for Other Adult.

IF the HUD-50058 has household members marked as "A" for Other Adult and they are disabled household members, additional deductions are gained by designating these individuals as a Disabled Other Adult.

526: DETERMINING ELDERLY HOUSEHOLD DEDUCTION

EFFECTIVE DATE: July 1996

A $400 elderly household deduction is given per household in which the head or spouse is 62 years of age or handicapped or disabled.

527: DETERMINING A FAMILY'S ELIGIBILITY FOR DISABILITY ASSISTANCE EXPENSES

EFFECTIVE DATE: January 2002

A family may deduct reasonable anticipated expenses during the period for which annual income is computed, for attendant care and auxiliary apparatus of disabled family members if the expense :

- Is necessary to enable a family member (including disabled member) to be employed provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source
- Exceeds 3 percent of annual income
- Does not exceed the earned income of the lowest household member enabled to work
- Auxiliary apparatus includes, but is not limited to, wheelchairs, ramps, reading or typing devices for the visually impaired, and adaptations to vehicles, etc., <u>if directly related to permitting the disabled person or other family member to work</u>.

528: SUBSIDY STANDARDS

EFFECTIVE DATE: July 1996

The Housing Authority must establish Subsidy Standards (formally referred to as "Occupancy Standards") that determine the number of bedrooms needed for families of different sizes and compositions. The Administrative Agent determines the appropriate number of bedrooms for each family under the Subsidy Standards (family unit size). The family unit size number is entered on the Certificate or Voucher issued to the family. The Administrative Agent issues the family a Voucher or Certificate for the family unit size when a family is selected for participation in the program.

The Fair Housing Amendments Act of 1988 and Section 504 of the Rehabilitation Act of 1973 affect the Subsidy Standards issue. An Administrative Agent does not impose their standards relative to family composition (e.g., stating sex or age parameters, stating that an unrelated persons cannot share a bedroom, stating parents cannot share a bedroom with children, etc.) Families may sleep as they wish provided Housing Quality Standards is satisfied and no overcrowding occurs. It *may not* always be possible to issue the smaller number of bedrooms if the family requests special consideration of specific exceptions.

DETERMINING FAMILY UNIT SIZE FOR ISSUANCE: The following requirements apply when the Administrative Agent determines the family unit size under the Subsidy Standards:

1. The Standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.

2. The Standards must be consistent with space requirements under the Housing Quality Standards.

3. The Standards must be applied consistently for all families of like size and composition.

4. A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.

5. A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.

6. Any live-in aide (approved by the Administrative Agent to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size.

7. Unless a live in aide resides with the family, the unit size for any family consisting of a single person must be either a zero-bedroom, or one-bedroom unit, as determined under the Subsidy Standards.

8. A child who is away at school but returns to live with the family during breaks and school closings is counted in determining the family unit size, if so elected by the family.

9. Families who are in the process of securing legal custody of children and can document the custody process can be counted in determining the unit size.

10. Children who are subject to a joint custody agreement but live in the unit at least 50% of the time can be counted in determining the unit size.

11. In determining unit size for a particular family, the Administrative Agent may grant an exception to its established Subsidy Standards if the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances. For a single person (other than a disabled or elderly person or remaining family member), such Administrative Agent exception may not override the limitation in explained (7) above.

12. Independent Group Residences (IGRs) require the Administrative Agent to issue a 0-BR or 1-BR subsidy for each eligible individual who will reside in an IGR in accordance with the Phase Information Sheet. A Resident Assistant who resides in the unit may be provided a bedroom.

13. When vouchers are issued to manufactured home owners for assistance with space rental, the family is issued a voucher based on the Subsidy Standards and not the number of bedrooms in the manufactured home. Utility allowances will be based on the number of bedrooms listed on the Voucher, not the number of bedrooms in the manufactured home.

14. Multifamily Mod Rehab projects have VHDA approved Management Plans on file which define the Subsidy Standards and related issues for occupancy of the units. These specific properties may deviate from this policy within approved parameters.

The following charts are only general guidelines to assist the Administrative Agent and family in selecting or assigning the bedroom size:

I. Standards Used to Issue Subsidy:

Bedroom Size	Minimum Number in family	Maximum Number in family
SRO	1	1
0-BR	1	1
1-BR	1	2
2-BR	2	4
3-BR	4	6
4-BR	6	8
5-BR	8	10
6-BR	10	12

II. Standards to Determine if the Unit Selected is Acceptable in Accordance with HQS:

Housing Quality Standards allow 2 persons per living/sleeping area and would permit the following maximum occupancy, assuming one additional living/sleeping area is in the unit:

SRO	1
0-BR	1
1-BR	4
2-BR	6
3-BR	8
4-BR	10
5-BR	12
6-BR	14

HOUSING QUALITY STANDARDS:
The dwelling unit must have at least one bedroom or living/sleeping room for each two persons; refer to Chapter 700 for Housing Quality Standards issues related to occupancy of unit.

EFFECT OF FAMILY UNIT SIZE-MAXIMUM SUBSIDY: The family unit size as determined for a family under the Subsidy Standards, is used to determine the maximum rent subsidy for the family:

VHDA establishes Payment Standards by number of bedrooms. The Payment Standard for the family must be the <u>lower</u> of :

- the Payment Standard for the family unit size listed on the Voucher; or
- the Payment Standard for the unit rented by the family.

SIZE OF UNIT OCCUPIED BY FAMILY:

- The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the family unit size. However, the dwelling unit must meet the applicable Housing Quality Standards space requirements.
- The family may lease an otherwise acceptable dwelling unit with more bedrooms than the family unit size.

EXCEPTIONS TO SUBSIDY STANDARDS

Exceptions to these standards may be granted by the Administrative Agent for documented reasons critical to the household's health or if justified by handicap, relationship of family members, or other personal circumstances. Documentation must come from appropriate third party sources such as a doctor, psychiatrist or psychologist. It is the responsibility of the applicant or participant to obtain such documentation.

530: DETERMINING THE TOTAL TENANT PAYMENT OR TOTAL FAMILY CONTRIBUTION

EFFECTIVE DATE: July 1996

In order to determine the Total Tenant Payment or Total Family Contribution for a Family, the HUD-50058 will be completed.

CHAPTER: APPLICANT PROCESSING

531: MINIMUM TENANT RENT

EFFECTIVE DATE: October 1999

VHDA requires that participants in its Section8 program pay a minimum of $25 towards rent and utilities. Administrative Agents who are PHAs with their own Section 8 program are permitted to utilize their minimum tenant rent policy upon written request to VHDA for a waiver and verification that the local PHA policy is compliant with HUD regulations. The Administrative Agent's addendum should reflect if a general waiver has been granted.

WAIVER PROVISIONS

An Administrative Agent may waive the minimum rent requirement in cases of financial hardship including, but not limited to:

- Job loss
- Death of a family member
- Loss of benefits under state, local or federal assistance programs
- To avoid eviction

CHAPTER: APPLICANT PROCESSING

540: MAXIMUM NUMBER OF OUTSTANDING VOUCHERS

EFFECTIVE DATE: January 2002

It is the Administrative Agent's responsibility to maintain a constant check on the number of Units Outstanding (those that are under lease plus those that are looking for housing). The sample form, Vouchers Issued/Extended/Expired can be used to list those issued but not under Housing Assistance Payments Contract. Another system other than the sample for tracking purposes may be used.

Localities do not have the right to over-issue beyond their current allocation except with the written consent of VHDA. Any over-issued Voucher that results in a Housing Assistance Payments Contract must be honored by VHDA, and therefore can create funding problems.

VOUCHERS ISSUED/EXTENDED/EXPIRED

Name	Date Issued	Initial Exp. Date	Ext. Date(s)	Exp. Date(s)	Date RFTA Submitted
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

541: NOTIFYING THE FAMILY OF SUBSIDY ISSUANCE

EFFECTIVE DATE: October 2001

If a family has been determined eligible and if a Housing Choice Voucher/Mod Rehab/PB Certificate subsidy is available, they must be so notified with the Sample Letter -- Notifying the Family of Eligibility for Subsidy Issuance. Sample letters will need to be altered to indicate the type of subsidy available.

An applicant on the Waiting List may refuse the initial offer of subsidy, if the family wants to wait for another form of subsidy. The family does not lose its place on the Waiting List because of its refusal. If the family refuses the second form of assistance, the family will be removed from the Waiting List.

If no response is received from the family, the Administrative Agent must send the Sample Letter -- Notifying the Family of Rejection of Subsidy Issuance informing them that the application will be rejected.

Families must be eligible at the time the Voucher subsidy is issued continuing until the family is placed under lease. The same preference classification must also exist when the subsidy is issued or the family's application will have to be reranked according to the new preference. **Before the Administrative Agent issues a Housing Choice Voucher, or moves a family into a Moderate Rehabilitation/Project-Based Certificate unit, the information verifying family eligibility must be no more than 60 days old.**

Families/applicants found to be ineligible in accordance with policies must be so notified in writing, stating the reasons for the decision, and giving the family the right to request an informal review. The Sample Letter -- Notification of Ineligibility must be sent to the family.

NOTE: Localities or Administrative Agents that are new to the Program may be required to submit the HUD Form-50058 and verifications to VHDA for review/approval prior to subsidy issuance.

SAMPLE LETTER
NOTIFYING THE FAMILY OF ELIGIBILITY FOR SUBSIDY ISSUANCE

Date_____

Dear Family:

Congratulations! We are pleased to advise you that you have been determined eligible for the Section 8 Housing Assistance Payments Program.

It will now be necessary for you to attend a Briefing session to give you a full explanation of the Program, and to cover the Family Obligations of the Program.

Please contact our office by __(Date)__ so that we may schedule the Briefing. If you do not make contact by the required date, your application may be rejected.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

cc: File

SAMPLE LETTER
NOTIFYING THE FAMILY OF REJECTION OF SUBSIDY ISSUANCE

Date_____

Dear Family:

On insert date you were sent a letter requesting that you contact this office by _____ to be scheduled to attend the Housing Choice Voucher Program Briefing. Since you did not comply with our request, you are hereby informed that your application is pending rejected.

You may request an informal review if you feel this decision may be reversed based upon information you may have available. Your written request for an informal review must be received in this office within 10 days from the date of this letter. A copy of the Informal Review Procedures for Applicants is enclosed.

Failure to respond to this letter will result in your application being rejected. If you have any questions regarding this matter, contact *(Administrative Agent or Supervisor)* at *(Phone Number)*.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

cc: File

SAMPLE LETTER -- NOTIFICATION OF INELIGIBILITY

Date

Dear Family:

This is to inform you that your application for Section 8 rental assistance has been disapproved for the following reason(s):

You may request an informal review if you feel this decision may be reversed based upon information you may have available. Your written request for an informal review must be received in this office within 10 days from the date of this letter. A copy of the Informal Review Procedures for Applicants is enclosed.

Failure to respond to this letter will result in your application being rejected. If you have any questions regarding this matter, contact *(Administrative Agent or Supervisor)* at *(Phone Number)*.

Sincerely,

Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program
cc: File

542: FAMILY OBLIGATIONS

EFFECTIVE DATE: June 2002

The following are obligations of a participating family under the program as listed on the Housing Choice Voucher. It is important to make all family obligations clear up front and to remind families annually what their family obligations are so that when a violation occurs, the family cannot claim they did not know the rules. **The Administrative Agent must provide families with these family program obligations in writing. It is also recommended to have the family to sign acknowledging receipt and understanding, at initial and annual reexaminations. Provide a copy of the same to participant, and keep original in participant's file.**

1. **A family must supply required information that VHDA, HUD or the Administrative Agent determines is necessary in the administration of the program.**

   This includes:

   - Evidence of citizenship or eligible immigration status
   - Any requested certification, release or other documentation
   - Any information requested by VHDA, HUD or the Administrative Agent for use in a regularly scheduled recertification or interim recertification of family income and composition in accordance with HUD requirements
   - Submission and verification of Social Security numbers

   Termination under this obligation would cover families who:

   - Miss their reexamination interview
   - Fail to submit required paperwork on time
   - Fail to include all the family's income
   - Incorrectly report the amount of income
   - Do not cooperate with a PHA's investigation of possible fraud
   - Fail to sign a particular release for information.

2. **Any information supplied by the family must be true and complete.**

   This provision is violated when a family submits either oral or written communication to the Administrative Agent that are false or incomplete, such as:

   - Under-reporting income

- Falsely claiming that a bank account was closed
- Submitting inaccurate child care provider receipts
- Failure to report a household change.

3. The family is responsible for a HQS breach caused by:

- **Failing to pay for any utilities that are not included in the rent**
- **Failing to provide and maintain any appliances that are not provided by the owner**
- **Damage(s) to the unit or premises beyond normal wear and tear caused by the family or a guest.**

4. The family must allow the Administrative Agent or VHDA to inspect the unit at reasonable times after reasonable notice.

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

6. The family must notify the Administrative Agent and the owner before the family moves out of the unit, or terminates the lease on notice to the owner.

7. The family must promptly give the Administrative Agent a copy of any owner eviction notice.

- This family obligation goes hand in hand with the two previous obligations. By requiring the family to promptly provide the eviction notice to the Agent, the Agent will not be drawn into a crisis created by the family when they fail to promptly provide the Agent with an eviction notice. A new Housing Choice Voucher should not be issued to allow the family to move until the Agent completes its investigation to determine whether to allow the family to continue to receive assistance. The family may have to store their belongings and stay in some form of transitional housing in the interim. This is a direct consequence of the family not promptly notifying the Agent of the eviction.

8. The family must use the assisted unit as their only residence.

- Once the HAP Contract and lease are executed, the family has the duty to live in the assisted unit. Usually a violation of this obligation will include another family obligation, such as absence from the unit, fraud, subletting, or the family using the unit primarily to run a business while living elsewhere.

9. The composition of the assisted family residing in the unit must be approved by the Administrative Agent. The family must promptly inform the Agent in writing of the birth, adoption or court-awarded custody of a child. The family must request written Agent approval to add any other family member as an occupant of the unit.

10. The family must promptly notify the Administrative Agent in writing if any family member no longer resides in the unit.

- The Agent should clarify the difference between temporary and permanent absence. The Agent would also require proper written documentation that the person has a new separate residence before removing them from the household.

11. Members of the family are allowed by HUD to engage in legal profit-making activities in the unit, but only if such activities are incidental to the primary use of the unit for residence by the family.

- The Agent's approval of the use of a unit for a business ***only*** relates to the unit's continued primary use as a residence. It does not relate to whether the use of the unit may cause additional traffic, whether it could be an insurance risk to the owner, local zoning issues, or any of the other concerns the owner of the unit might have.

12. The family must supply any information or certification requested by the Administrative Agent to verify that the family is living in the unit, or relating to family absence from the unit. The family must cooperate with this process, and promptly notify the Agent in writing of absence from the unit. (Refer to Policy 1009: Absence From Unit).

13. The family must not sublease or sublet the unit.

- Families often have informal arrangements between themselves for dividing up the rent based on proportionate income. How a family chooses to run their household affairs is not a concern of the Administrative Agent as long as all the income is reported and used to determine the family's total amount of rent. This obligation is aimed at non-household member living in the unit and paying the family under the table to stay there.

14. The family must not assign the lease or transfer the unit.

- The family (and only the family) is to benefit from the assisted unit. A landlord may wish to allow a tenant to sublet, assign or transfer the lease in order to fulfill the family's contractual agreement under the lease. For example, the owner could have a tenant who wanted to move before the initial term was up and sublet the apartment (so the tenant still retains some right of possession over the unit) or assign or transfer the rest of the lease (so the tenant gives up all rights and responsibilities). Even though the lease might allow the tenant to do this, the attached Tenancy Addendum and the family obligations would prevent it and subject the family to termination of assistance.

15. The family must not own or have any interest in the unit.

- Refer to Policy 627 (Renting To Relatives) for more details.

16. The family must not receive assistance under the Housing Choice Voucher program while receiving another housing subsidy for the same (or different unit) under any duplicate federal, state or local housing assistance program.

17. Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.

- This family obligation is broad and intended to cover any miscellaneous fraudulent or criminal conduct committed by the family relating to the Housing Choice Voucher program. It is particularly aimed at those families who try to improperly influence a PHA worker.

18. The members of the family may not engage in drug-related criminal activity, violent criminal activity or abuse alcohol in a way that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents and persons residing in the immediate vicinity of the premises.

- The Administrative Agent must ensure that any criminal record received regarding this obligation is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

The family obligations for the Moderate Rehabilitation and Project-Based Certificate programs are listed on the Statement of Family Responsibility document created for each program.

543: ILLEGAL DISCRIMINATION

EFFECTIVE DATE: July 1996

A family may claim that illegal discrimination because of race, color, religion, sex, national origin, age, familial status or disability prevents the family from finding or leasing a suitable unit with assistance under the program.

The Administrative Agent must give the family information on how to complete and file a housing discrimination complaint.

CHAPTER: APPLICANT PROCESSING

545: PROVIDING THE FAMILY BRIEFING-HOUSING CHOICE VOUCHERS

EFFECTIVE DATE: June 2002

The Administrative Agent is responsible for providing all who are selected for a Housing Choice Voucher with an oral Briefing. The purpose of the oral Briefing is to explain the Program in general, to provide the family with the forms and information to find and lease a unit, and to apprise the family of their responsibilities and those of the owner under Program regulations.

The Briefing should be structured to allow the family adequate opportunity to raise questions, either in small group sessions or one-on-one. For certain families who may have difficulty in understanding the material, certain items, e.g., responsibilities of the family/owner under the lease, may be postponed for another time, as long as they are covered prior to the execution of the lease and Housing Assistance Payment Contract.

Topics that must be discussed are listed below:

1. A description of how the program works by covering the contents of the Section 8 Housing Choice Voucher Program Guidebook, April 2002 (replaces A Family's Guide to Rental Vouchers 8-545-2);

2. Explain the responsibilities of the family by covering the information on the document outlining the responsibilities and obligations under the Voucher Program;

3. Explain where a family may lease a unit, including renting a dwelling unit inside or outside your locality and VHDA's jurisdiction by covering the information listed on Portability Notice for Families (8-1400-1);

4. For a family that qualifies to lease a unit outside your locality and VHDA's jurisdiction, the briefing must include an explanation of how portability works by covering the Portability Notice for Families (8-1400-1). The Administrative Agent may not discourage the family from choosing to live anywhere in your locality, the state of Virginia, or outside the state of Virginia under portability procedures;

5. If the family is currently living in a high poverty census tract in the Administrative Agent’s jurisdiction, the briefing must also explain the advantages of moving to an area that does not have a high concentration of poor families;

6. In briefing a family that includes any disabled person, the Administrative Agent must take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6 as stated below:

The Administrative Agent shall take appropriate steps to ensure effective communication with applicants, beneficiaries, and members of the public.
The Administrative Agent shall furnish appropriate auxiliary aids where necessary to afford an individual with handicaps an equal opportunity to participate in, and enjoy the benefits of, a program or activity receiving Federal financial assistance.

> (i) In determining what auxiliary aids are necessary, the Administrative Agent shall give primary consideration to the requests of the individual with handicaps.
> (ii) The Administrative Agent is not required to provide individually prescribed devices, readers for personal use or study, or other devices of a personal nature.

Where an Administrative Agent communicates with applicants and participants by telephone, telecommunication devices for deaf person (TDDs) or equally effective communication systems shall be used.

The Administrative Agent shall adopt and implement procedures to ensure that interested persons (including persons with impaired vision or hearing) can obtain information concerning the existence and location of accessible services, activities, and facilities.

This section does not require an Administrative Agent to take any action that the Administrative Agent can demonstrate would result in a fundamental alteration in the nature of a program or activity or in undue financial and administrative burdens. If an action would result in such an alteration or burdens, the Administrative Agent shall take any other action that would not result in such an alteration or such burdens but would nevertheless ensure that, to the maximum extent possible, individuals with handicaps receive the benefits and services of the program or activity receiving HUD assistance.

7. Discuss at a minimum the following owner responsibilities:
   - Performing all of the Owner's obligations under the Housing Assistance Payments Contract and the lease
   - Performing all management and rental functions for the assisted unit, including selecting a Voucher-holder to lease the unit and deciding if the Family is suitable for tenancy of the unit
   - Maintaining the unit in accordance with Housing Quality Standards, including performance of ordinary and extraordinary maintenance
   - Complying with equal opportunity requirements
   - Preparing and furnishing to the VHDA and the local housing office, information required under the Housing Assistance Payments Contract

- Collecting from the Family:

    a) Any security deposit; the Owner may collect up to the amount charged by Owners in the private market subject to the State law limit of two month's Contract Rent
    b) The Family contribution (the part of rent to Owner not covered by the housing assistance payment)
    c) Any charges for unit damage by the Family

- Enforcing Family obligations under the lease

- Paying for utilities and services (unless paid by the Family under the lease)

- For provisions on modifications to a dwelling unit occupied or to be occupied by a disabled person

- Informing the local housing office and Family of known lead-based paint presence in the unit.

- Not to engage in drug trafficking.

8. Discuss all the documents, their content and purpose per Policy 546.

CHAPTER: APPLICANT PROCESSING

546: CONTENTS OF THE HOUSING CHOICE VOUCHER HOLDER'S PACKET

EFFECTIVE DATE: June 2002

The Administrative Agent must give a Housing Choice Voucher family a Housing Choice Voucher Holder's Packet that includes the following information:

1. Their *copy* of the Housing Choice Voucher which lists the term of the Voucher (HUD Form 52646);

2. A *copy* of the Administrative Agent's policy on extensions and how to request an extension from the Administrative Agent;

3. A *copy* of the Section 8 Housing Choice Voucher Program Guidebook, April 2002 (replaces: A Family's Guide to Rental Vouchers 8-545-2) which covers information on the following:

   - how the Total Tenant Payment, Tenant Rent and Housing Assistance Payments are computed
   - information on Fair Market Rents, Payment Standards, Utility Allowances
   - information on how the maximum rent for an assisted unit is determined
   - how to request approval to lease a unit

4. A *copy* of A Good Place To Live which covers information on what a family should consider when deciding whether to lease a unit, including:
   - The condition of a unit
   - Whether the rent is reasonable
   - The cost of any family-paid utilities and whether the unit is energy-efficient
   - The location of the unit, including proximity to public transportation, centers of employment, schools, and shopping

5. A *copy* of Portability Notice For Families (8-1400-1) which covers where the family may lease a unit and how portability works;

6. Housing Choice Voucher Housing Assistance Payments Contract (HUD Form 52641)

7. A *copy* of the model lease (HUD Form 52641-L)

8. A *copy* of the HAP for Manufacture Rental (HUD form 52642) and the Manufactured Home Tenancy Addendum (HUD form 52642-A)

9. A *copy* of the HUD Tenancy Addendum and cover the following:
   - how the HUD Tenancy Addendum addresses the required lease provisions and prohibited lease provisions
   - provide the family with the appropriate Addendum for the subsidy type issued
   - refer to Policy 672 for the types of Addenda available

10. Cover the section in the Section 8 Housing Choice Voucher Program Guidebook, April 2002 (replaces A Family's Guide to Rental Vouchers 8-545-2) that informs the family of what information VHDA and the Administrative Agent will provide to prospective owners about their prior tenant history. Listed below are the four items to be provided to prospective owners:
    - the family's current address
    - the name and address of the current owner
    - the name and address of the prior owner
    - information on damage and unpaid rent claims paid on behalf of a family

11. A *copy 8-528-1* which outlines circumstances under which a family may request an exception to the Subsidy Standards;

12. A *copy* of Lead-Based Paint - A Threat to Your Children (USGPO:1993-351-568);

13. A *copy* of Housing Discrimination Complaint Form (HUD-903 or 903A);

14. A *copy* of Fair Housing - It's Your Right [HUD-1260-FHEO (1)] which provides information on federal, state and local equal opportunity laws;

15. A *list* that includes one or more owners or other parties known to the Administrative Agent who may be willing to lease a unit to the family, or help the family find a unit;
    Include on the owner listing (as explained above) the following statement: "The family may request a current listing of accessible units known to the Administrative Agent that may be available if the family includes a disabled person";

16. A *copy* of Grounds for Denial of Assistance for an Applicant and Grounds for Termination of Assistance for a Participant (8-545-5);

17. A *copy* of Informal Review for Applicants (8-1040-1) and Informal Hearing Procedures for Participants (8-1041-1) which describe how to request a review hearing and when one can be requested;

18. A *copy* of Interim Reporting Requirements (8-910-1);

19. A *copy* of Crime by Family Members (8-1012-1).

20. A *copy* of Request for Tenancy Approval (HUD-52517), and an explanation of how to request approval to lease a unit.

There is no requirement to provide a Packet to a Moderate Rehabilitation or Project-Based Certificate Holder.

547: PROVIDING THE FAMILY BRIEFING - MOD REHAB

EFFECTIVE DATE: June 2002

The Administrative Agent is responsible for providing a briefing to all families who are selected for a Mod Rehab unit with a briefing. The purpose of the briefing is to explain the Program in general, to provide the family with the forms and information to find and lease a unit, and to apprise the family of their responsibilities and those of the owner under Program regulations.

The briefing should be structured to allow the family adequate opportunity to raise questions, either in small group sessions or one-on-one. For certain families who may have difficulty in understanding the material, certain items (e.g., responsibilities of the family/owner under the lease), may be postponed for another time, as long as they are covered prior to the execution of the lease.

Topics that must be discussed are listed below:

1. Explain the responsibilities of the family under the lease and Housing Assistance Payments Contracts;

2. Provide a copy of the Statement of Family Responsibility (8-547-1) and discuss the contents of the form;

3. Discuss significant aspects of the applicable state and local laws;

4. Discuss significant aspects of Federal, state and local Fair Housing Laws by covering the information contained in the brochure, Your Fair Housing Rights [HUD-120-FHEO(1)];

5. Provide information on the Tenant Rent and the Schedule of Utility Allowances for the specific unit as listed on the Unit Data Sheet;

6. A *copy* of Protect Your Family from Lead in Your Home (EPA747-K-94-001);

7. The fact that the subsidy is tied to the unit and the family must occupy a unit rehabilitated under the Program; that a family that moves from the unit does not have any right to continued assistance;

8. Discuss the family's options under the Program per Policy 806 should the family be required to move due to an increase or decrease in family size;

9. Explain to the family the likelihood of the family receiving a Certificate or Voucher after the Housing Assistance Payments Contract expires. At the present time HUD is issuing tenant-based assistance to families at the

expiration of the contract. VHDA will contact each family in advance should subsidy not continue on behalf of a family living in a Mod Rehab unit;

10. In briefing a family that includes any disabled person, the Administrative Agent must take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6 as stated below:
The Administrative Agent shall take appropriate steps to ensure effective communication with applicants, beneficiaries, and members of the public. The Administrative Agent shall furnish appropriate auxiliary aids where necessary to afford an individual with handicaps an equal opportunity to participate in, and enjoy the benefits of, a program or activity receiving Federal financial assistance.

    (i) In determining what auxiliary aids are necessary, the Administrative Agent shall give primary consideration to the requests of the individual with handicaps.
    (ii) The Administrative Agent is not required to provide individually prescribed devices, readers for personal use or study, or other devices of a personal nature.

    Where an Administrative Agent communicates with applicants and participants by telephone, telecommunication devices for deaf person (TDDs) or equally effective communication systems shall be used.
    The Administrative Agent shall adopt and implement procedures to ensure that interested persons (including persons with impaired vision or hearing) can obtain information concerning the existence and location of accessible services, activities, and facilities.

    This section does not require an Administrative Agent to take any action that the Administrative Agent can demonstrate would result in a fundamental alteration in the nature of a program or activity or in undue financial and administrative burdens. If an action would result in such an alteration or burdens, the Administrative Agent shall take any other action, the recipients shall take any other action that would not result in such an alteration or such burdens but would nevertheless ensure that, to the maximum extent possible, individuals with handicaps receive the benefits and services of the program or activity receiving HUD assistance.

11. Inform the family of what information VHDA and the Administrative Agent will provide to prospective owners about their prior tenant history. Listed below are the four items to be provided to prospective owners:
    - the family's current address
    - and the name and address of the current owner
    - the name and address of the prior owner
    - information on damage and unpaid rent claims paid on behalf of a family

12. A *copy* of Grounds for Denial of Assistance to an Applicant and Grounds for Termination of Assistance to a Participant (8-545-5);

13. A *copy* of Informal Review for Applicants (8-1040-1) and Informal Hearing Procedures for Participants (8-1041-1) which describe how to request a review/ hearing and when one can be requested;

14. A *copy* of Interim Reporting Requirements (8-910-1); and

15. A *copy* of Crime by Family Members (8-1012-1.

There is no requirement to provide a Family Holder Packet to a Mod Rehab family.

CHAPTER: APPLICANT PROCESSING

548: PROVIDING THE FAMILY BRIEFING-PROJECT-BASED CERTIFICATES

EFFECTIVE DATE: June 2002

The Administrative Agent is responsible for providing a briefing for all families who are selected for a Project-based Certificate unit with a briefing. The purpose of the briefing is to explain the Program in general, to provide the family with the forms and information to find and lease a unit, and to apprise the family of their responsibilities and those of the owner under Program regulations.

The briefing should be structured to allow the family adequate opportunity to raise questions, either in small group sessions or one-on-one. For certain families who may have difficulty in understanding the material, certain items, e.g., responsibilities of the family/owner under the lease, may be postponed for another time, as long as they are covered prior to the execution of the lease.

Topics that must be discussed are listed below:

1. Explain the responsibilities of the family under the lease and Housing Assistance Payments Contracts;

2. Provide a copy of the Statement of Family Responsibility (HUD-52578B) and discuss the contents of the form;

3. Discuss significant aspects of Federal, state and local Fair Housing Laws by covering the information contained in the brochure, Your Fair Housing Rights [HUD-120-FHEO(1)];

5. Provide information on the Tenant Rent and the Schedule of Utility Allowances for the specific unit as listed on the Unit Data Sheet;

5. A *copy* of Protect Your Family from Lead in Your Home (EPA747-K-94-001;

6. The fact that the subsidy is tied to the unit and the family must occupy a unit rehabilitated under the Program; that a family that moves from the unit does not have any right to continued assistance;

7. Discuss the family's options under the Program per Policy 806 should the family be required to move due to an increase or decrease in family size;
8. Explain to the family that the likelihood of the family receiving a Voucher after the Housing Assistance Payment Contract expires. At this time HUD is issuing tenant-based assistance to families as HAP Contracts expire. VHDA will contact each family in advance should subsidy not continue on behalf of a family living in a Project-based Certificate unit;

9. In briefing a family that includes any disabled person, the Administrative Agent must take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6 as stated below:

> The Administrative Agent shall take appropriate steps to ensure effective communication with applicants, beneficiaries, and members of the public. The Administrative Agent shall furnish appropriate auxiliary aids where necessary to afford an individual with handicaps an equal opportunity to participate in, and enjoy the benefits of, a program or activity receiving Federal financial assistance.
>
> > (i) In determining what auxiliary aids are necessary, the Administrative Agent shall give primary consideration to the requests of the individual with handicaps.
> > (ii) The Administrative Agent is not required to provide individually prescribed devices, readers for personal use or study, or other devices of a personal nature.
>
> Where an Administrative Agent communicates with applicants and participants by telephone, telecommunication devices for deaf person (TDDs) or equally effective communication systems shall be used. The Administrative Agent shall adopt and implement procedures to ensure that interested persons (including persons with impaired vision or hearing) can obtain information concerning the existence and location of accessible services, activities, and facilities.
>
> This section does not require an Administrative Agent to take any action that the Administrative Agent can demonstrate would result in a fundamental alteration in the nature of a program or activity or in undue financial and administrative burdens. If an action would result in such an alteration or burdens, the Administrative Agent shall take any other action, the recipients shall take any other action that would not result in such an alteration or such burdens but would nevertheless ensure that, to the maximum extent possible, individuals with handicaps receive the benefits and services of the program or activity receiving HUD assistance.

10. Inform the family of what information VHDA and the Administrative Agent will provide to prospective owners about their prior tenant history. Listed below are the four items to be provided to prospective owners:
    - the family's current address
    - and the name and address of the <u>current owner</u>
    - the name and address of the <u>prior owner</u>
    - information on damage and unpaid rent claims paid on behalf of a family

11. A *copy* of <u>Grounds for Denial of Assistance to an Applicant and Grounds for Termination of Assistance to a Participant (8-545-5)</u>;

12. A *copy* of Informal Review for Applicants (8-1040-1) and Informal Hearing Procedures for Participants (8-1041-1) which describe how to request a review/ hearing and when one can be requested;

13. A *copy* of Interim Reporting Requirements (8-910-1); and

14. A *copy* of Crime by Family Members (8-1012-1).

There is no requirement to provide a Family Holder Packet to a Project-Based Certificate family.

CHAPTER: APPLICANT PROCESSING

549: EXTENSION AND SUSPENSION OF THE VOUCHER

EFFECTIVE DATE: June 2002

TERM OF THE HOUSING CHOICE VOUCHER

INITIAL TERM:

The initial term of a Housing Choice Voucher must be at least 60 calendar days. The initial term must be stated on the Housing Choice Voucher. It is recommended that the initial term of 120 calendar days be given (on an as needed basis) as a reasonable accommodation for persons with a disability.

EXTENSIONS OF INITIAL TERM:

The Administrative Agent may grant a family one or more extension of the initial term in accordance with written policy created by the Administrative Agent. VHDA does not set the extension policy for each locality. **Each locality must develop an extension policy and include this policy in the Family Holder's Packet**. The extension policy must state how the family may request an extension from the Administrative Agent. *If your locality is not prepared to create a written policy to be shared with the family in the Family Holder's Packet, then your policy will be that extensions are not granted for any reason.*
Factors to consider in developing a written local extension policy:

- Circumstances that are acceptable for an extension (severe weather conditions, illness or death, etc., that may have prevented the family from locating a unit)
- Special needs or family size made the search difficult
- The rental market is limited or tight
- How the Agent will determine the length of the extension

The Administrative Agent grants any extension of the term by written notice to the family.

The expiration shall not prevent the family from filing a new application for another Housing Choice Voucher provided the Waiting List is open. However, the family shall be placed on the Waiting List and so notified of this new status.
Sample letters have been created to notify families of the decisions made under this Policy. Please note that a family does not have the right to request an informal review for an expiration of the timeframe on the Housing Choice Voucher.

Reasonable Accommodation:

If a member of the family is a disabled person, and the family needs an extension of up to or beyond 120 days because of the disability, the Administrative Agent must consider whether to grant a request to extend the term of the Voucher as a reasonable accommodation.

Progress Reports:
During the initial or any extended term of a Voucher, the Administrative Agent may require the family to report progress in leasing a unit. Such reports will be required at such intervals or times and in the format as determined by the Administrative Agent. *If a locality requires progress reports, the family must be informed of this at the Briefing, and the family must be supplied with the timeframe and format acceptable to the Administrative Agent.*

Suspension of term (VHDA does not suspend Vouchers):
The regulations permit a Housing Authority's policy to provide for suspension or tolling of the initial or any extended term of the Voucher. At its discretion, the Housing Authority may grant the family a suspension of the Voucher term if the family submitted a Request for Tenancy Approval during the term of the Voucher.

Suspension or tolling is defined as stopping the clock on the term of a family's Voucher, for such periods as determined by the Housing Authority. The Administrative Agent may grant a suspension for any part of the period after the family has submitted a Request for Tenancy Approval up to the time when the Administrative Agent approves or denies the request.

Somewhat related to the suspension concept is a policy we have had in place for some time. At the end of the initial 60-day term, any extension of the initial term, or at the 120-day maximum, we have allowed a 30-day maximum time for processing the Request for Tenancy Approval to an approvable stage. This is not suspension but rather an administrative policy VHDA has created to allow the Administrative Agent the opportunity to work on the Request for Tenancy Approval for that specific unit. The 30 days is a maximum—the Administrative Agent can allow less than 30 days if less time is sufficient to deny or approve the Request for Tenancy Approval. This additional time is not additional time for the family to submit another Request for Tenancy Approval—it is only time allowed for this one Request for Tenancy approval to be considered for approval or denial. As stated before, this is an administrative policy not suspension of a Voucher.

Sample Letter—Expiration of Housing Choice Voucher

Date

Dear family:

As of (expiration date), your Housing Choice Voucher will expire. Please contact this office within ten days of the date of this letter or no later than _____ if you wish to request an extension of your Housing Choice Voucher or discuss difficulties you have had in locating a housing unit. We will be happy to help you in any way we can.

If we do not hear from you within the requested time period, your Housing Choice Voucher will expire on (expiration date).

Sincerely,

Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

cc: File

Sample Letter - Denial of Housing Choice Voucher Extension Request

Date

Dear family:

Your request to extend your Housing Choice Voucher has been denied due to the following reason(s):

Accordingly, your Housing Choice Voucher will expire on (expiration date).

Sincerely,

Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

cc: File

Sample Letter - Notice of Housing Choice Voucher Extension

Date

Dear family:

Your Housing Choice Voucher has been extended for an additional_____ days and will now expire on (expiration date). Please contact this office if we can assist you in your housing search.

Sincerely,

Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program

cc: File

CHAPTER: LEASING

550: PROVIDING INFORMATION ABOUT FAMILY TO OWNER

EFFECTIVE DATE: March 2002

The selection of a family for program participation is not a representation by the Administrative Agent about the family's expected behavior or suitability for tenancy. Determining tenant suitability is the housing owner's responsibility. Owners are permitted and encouraged to screen families on the basis of their history as tenants. An owner may consider a family's background with respect to such factors as:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of others to the peaceful enjoyment of their housing;
- Drug related criminal activity or other criminal activity that is a threat to life;
- Safety or property of others (criminal convictions are a matter of public record); and
- Compliance with other essential conditions of tenancy.

To assist the owner in obtaining this information, the Administrative Agent must give the owner:

- The family's current address, as shown in the housing agency records; and
- The name and address, if known, of the landlord at the family's current and prior address; and

The Administrative Agent may offer the owner other information in their possession about the family, including information about the tenancy history of family members, or about drug trafficking by family members. This information will include at a minimum:

- Information on amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease; and
- Information on the tenant rent portion that is not paid to the owner.

This information may be provided to a person authorized by the owner to screen tenants and/or lease the unit.

In certain types of admissions, such as those involving persons moving due to domestic violence or participation in the witness protection program, the Administrative Agent must exercise caution and discretion in the release of this information.

An Administrative Agent must provide a copy of this policy to all owners via the inspection results, which are sent directly to owners. This policy must also be provided to applicants at the briefing session.

CHAPTER 600: LEASING

CHAPTER: LEASING

610: SUBMISSION OF REQUEST FOR TENANCY APPROVAL

EFFECTIVE DATE: July 1996

When a family is selected for participation, the Administrative Agent issues a Housing Choice Voucher to the family. The family may search for a unit for the initial 60-day term and extensions, if applicable. Policy 549 discusses extensions and suspensions.

If the family finds a unit, and the owner is willing to lease the unit under the program, the family may request the Administrative Agent's approval to lease the unit. ***The family will only be allowed to submit one request at a time.***

The family must submit to the Administrative Agent a Request for Tenancy Approval (HUD Form 52517) and a copy of the proposed lease. Both documents must be submitted during the term of the Housing Choice Voucher. It is the responsibility of the Administrative Agent to review the Request for Tenancy Approval submitted by the family to determine its compliance with requirements. The HUD Form 52517 may be accessed at www.hudclips.org/sub_nonhud/html/pdfforms/52517.pdf.

The certified family is responsible for locating a housing unit, submitting a copy of the proposed lease, and the Request for Tenancy Approval within the 60-day period (and extensions) authorized by the Housing Choice Voucher. A 30-day maximum time is allowed for processing the Request for Tenancy Approval to an approvable stage once the Request for Tenancy Approval is submitted.

Refer to Policy 549 for procedures to follow when a Housing Choice Voucher expires or must be canceled.

611: PREPARING THE REQUEST FOR TENANCY APPROVAL/MODERATE REHABILITATION/PROJECT-BASED CERTIFICATE LEASE REQUEST

EFFECTIVE DATE: July 1996

It is the Administrative Agent's responsibility to assist the family and owner in preparing the Request for Tenancy Approval (HUD Form 52517 – which replaced HUD Form 52517A), since in most cases the Administrative Agent can then be sure the information is complete and correct. The actual bedroom size of the unit selected must be listed on the form. If a living/sleeping room will be utilized as a bedroom it should not be counted as a bedroom, since a living/sleeping room will be used. Independent Group Residences (IGRs) are to reflect the actual bedroom size of the entire structure. The HUD Form 52517 may be accessed at www.hudclips.org/sub_nonhud/html/pdfforms/52517.pdf.

In order to determine the gross rent of the unit, the rental rate requested by the owner (Contract Rent) must be added to the applicable allowance for the utilities and services that will be family-supplied (i.e., not supplied by the owner or included in the Contract Rent). The Utility Allowance must be computed by using the information on the Request for Tenancy Approval that shows those utilities and services that are the family's responsibility. The dollar amount of the allowance to be provided the family for each applicable item is shown on the Schedule of Allowances for Tenant-Furnished Utilities by bedroom size, structure type, and fuel type. The total dollar amount of all the applicable allowances is added to the Contract Rent to determine the gross rent. The Utility Allowance amount must relate to the actual size of the unit selected, regardless of the unit size listed on the Housing Choice Voucher.

The owner and family must be informed that the date listed on the Request for Tenancy Approval, as the proposed effective date of the lease, is not necessarily the date the lease will begin; it depends on the effective date agreed upon by the Administrative Agent, owner, and family, as well as when the unit satisfies all Program requirements.

EFFECT OF FAMILY UNIT SIZE-MAXIMUM SUBSIDY: The family unit size as determined for a family under the Subsidy Standards, is used to determine the maximum rent subsidy for the family:

Housing Choice Voucher program. The Administrative Agent establishes Payment Standards by number of bedrooms. The Payment Standard for the family must be the lower of :

- The payment standard for the family unit size shown on the Housing Choice Voucher; or
- The gross rent of the unit actually rented by the family

SIZE OF UNIT OCCUPIED BY FAMILY:

- The family may lease an otherwise acceptable dwelling unit with fewer bedrooms than the family unit size. However, the dwelling unit must meet the applicable Housing Quality Standards space requirements.
- The family may lease an otherwise acceptable dwelling unit with more bedrooms than the family unit size.
- If the selected unit is smaller than that listed on the family's Housing Choice Voucher and the occupancy standards are met, the gross rent will probably be less than the Payment Standard. The subsidy is based on the authorized Housing Choice Voucher size and therefore, the family will realize a savings.

If the owner's Contract Rent has increased from the most recent rent charged, a thorough description justifying the increase must be made. If the unit has never been rented or has not been rented recently, state so on the form.
Both the owner and family must sign and date the form. It is important that addresses and phone numbers be completed as required.

MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATES:

The Request for Tenancy Approval is not applicable to the Moderate Rehabilitation or Project-Based Certificate Programs. The Sample Letter - Referral of Potential Families selecting the family to rent the unit will serve as notice of a lease request. All vacant units must be rented to families referred by the Administrative Agent from its Waiting List. However, if the Administrative Agent is unable to refer a sufficient number of interested applicants on the list to the owner within 30 days of the owner's notification to the Agent of the vacancy, the owner may advertise or solicit applications from eligible families and refer such families to the Agent to determine eligibility. The owner does not apply preferences to his referrals as this is an eligibility determination of the Agent. If the owner refers more than one applicant to the Agent for consideration for the vacant unit, then the Agent would screen the applicants for the local preferences.

***Characteristics of the Moderate Rehabilitation Unit*.** The Administrative Agent may match other characteristics of the applicant family with the type of Moderate Rehabilitation unit available, e.g., number of bedrooms. In selection of a family for a Moderate Rehabilitation unit that has special accessibility features, the Administrative Agent must give preference to families that include persons with disabilities who can benefit from those features of the Moderate Rehabilitation unit. Also, in selection of a family for a Moderate Rehabilitation unit in a mixed population project, the owner will give preference to elderly and disabled families.

INDEPENDENT GROUP RESIDENCES (IGR):

The gross rent for an IGR is based on the Contract Rent and family Utility Allowances for the entire structure. For example, the gross rent for a 4-bedroom house will be the Contract Rent and utilities for the 4-bedroom house (not the prorated gross rent for the prorated portion for the IGR participant). The FMR/Payment Standard for an IGR shall be the FMR/Payment Standard applicable to the unit size being leased (refer to Policy 623/662 for rent calculations). For example, use the 4-bedroom FMR/Payment Standard if the residence contains 4 bedrooms. In order to determine whether the gross rent is within the FMR for the Certificate Program, all the prorated portions must be added together to compare to the FMR for the unit size Leased. **Listed below is an example:**

Unit Selected: 3-Bedroom House to house 3 IGR participants
Contract Rent for the House = $650 ($650 ÷ 3 participants = $216, $217, $217)
Tenant Utilities = $51 ($51 ÷ 3 participants = $17, $17, $17)

HAPC/LEASE 1:

Prorated Contract Rent:	$216
Prorated Utilities:	$ 17
Prorated Gross Rent:	$233

HAPC/LEASE 2:

Prorated Contract Rent:	$217
Prorated Utilities:	$ 17
Prorated Gross Rent:	$234

HAPC/LEASE 3:

Prorated Contract Rent:	$217
Prorated Utilities:	$ 17
Prorated Gross Rent:	$234

ADD ALL PRORATED GROSS RENTS AND COMPARE TO FMR: $233 + $234 + $234 = **$701** 3 BEDROOM FMR = **584** 110% = **642**
$701 EXCEEDS THE 3 BEDROOM FMR

NOTE: DO NOT COMPARE THE INDIVIDUAL PRORATED GROSS RENT TO THE O BEDROOM FMR ISSUED TO THE IGR PARTICIPANT.

SAMPLE LETTER - REFERRAL OF POTENTIAL FAMILIES

RE: Referral of Potential Families

List Families to Be Referred in Ranking According To Waiting List Preference and Date Of Application:

_____

For: _____

(UNIT ADDRESS)

Dear owner:

In reply to your request for potential families as received on _____ by this Agency, the above referenced families are being referred to you in ranking order. The basic instructions contained herein have been provided in a letter to the family.

The following conditions are applicable:

1. The above referenced families have the choice of:

   a. Declining this opportunity to apply for your unit; or
   b. Within 5 business days, terminating on ___(date)____, making application to you for the unit.

If none of the families have applied to you within the time period allowed, you must sign where indicated below and return same to this Agency. You will be referred another list of potential families should either of the above occur. To expedite the process, a telephone call can precede the return of this letter.

2. The owner has 5** additional business days, terminating on (date, allowing 2 days for mailing) , to accept a family and reject the other families. Please refer to items a-c for the procedures to follow.

   a. If a family is acceptable, you must sign below and indicate which of the families will rent the unit, and forward the information to this Agency. Families should be accepted in accordance with their ranking as noted above. The first family listed is to be considered first. If more than one family is acceptable and only one unit is available, the family to be assisted is the first family listed.

   b. If no family is acceptable, then you must sign where indicated and return the information to this Agency. To expedite the process, a telephone call can precede the return of this letter.

   c. Notify the family in writing of acceptance/rejection of the decision rendered. If unacceptable, justification must be provided in the letter to the family. Please be aware of rights of applicants should you discriminate in the selection process.

Should you have any questions, please contact our office.

Sincerely,

Administrative Agent
Housing Choice Voucher
Housing Assistance Payments Program
Attachment: Copies of referral letters sent to each family

**The owner may request additional time to complete screening process based on the number of referrals made.

*The owner may request more than 5 applicants at a time.

Check only the statement below that is applicable, and then sign in the space provided.

( ) I certify that those families listed below have not made application to me and/or my agent within the time period in 1(b) of this letter.

Families: _____ _____

_____ _____

_____ _____

_____
(owner)

_____
(Date)

( ) I have accepted the following families for occupancy:

Families: _____ _____

_____ _____

_____ _____
(Owner) (Date)

The Administrative Agent will contact you regarding further processing.

( ) The families listed below have applied for the referenced unit(s) and upon review of their application, I have found them to be unacceptable for occupancy:

Families: _____ _____

_____ _____

_____ _____

_____
(owner)

_____
(Date)

612: ADMINISTRATIVE AGENT APPROVAL TO LEASE UNIT

EFFECTIVE DATE: July 1996

The Administrative Agent may not give approval for the family to lease a dwelling unit, or execute a Housing Assistance Payment Contract, until the Administrative Agent has determined that all the following meet program requirements:

(1) The unit is eligible; and

(2) The unit has been inspected by the Administrative Agent and met HQS; and

(3) The lease is approvable and includes the lease addendum; and

(4) The rent to owner is reasonable; and

(5) The gross rent for the unit is not so high as to require the family to pay more than 40 % of their monthly adjusted income for rent and utilities

All of the following must always be completed before the beginning of the lease term:

- The Administrative Agent has inspected the unit; and has determined that the unit satisfies HQS; and
- The owner and the family have executed the lease; and
- The Administrative Agent has approved leasing of the unit in accordance with program requirements.

613: COLLECTION OF RECORDED DEED FROM OWNER

EFFECTIVE DATE: July 1996

Administrative Agents *may* collect a recorded deed or an alternate document from the owner to confirm ownership. Administrative Agents should require the information if there are questions regarding ownership.

Acceptable alternatives when a recorded deed is not available:

1. most recent tax bill; or
2. paid tax receipt; or
3. copy of title (manufactured home); or
4. copy of Management Agreement that specifies ownership.

CHAPTER: LEASING

614: PREPARATION OF THE LEASE

EFFECTIVE DATE: March 1997

General lease requirements:

- An owner is required to use the same lease for Housing Choice Voucher tenants as he/she uses for unassisted tenants. If the owner has no standard lease form, the Administrative Agent may provide the owner with VHDA's model lease (8-621-2).

- When a family submits lease requests, it should be determined as soon as possible whether or not the VHDA model lease will be utilized. The HUD Tenancy Addendum must be attached to whichever lease is used by the owner.

- The family must have legal capacity to enter into a lease under state or local law; under state law there is no age requirement (i.e., no requirement that you must be 18 years old).

- Leases must be done in quadruplicate and should be typed. No white-out, erasures, or other apparent corrections can be made in the documents unless all parties initial them.

- Refer to Policy 622 for specific guidelines on security deposit requirements.

- If an owner requires payments in addition to rent from a family for extra amenities (e.g., cable television), it can be approved as long as the amenity is an option for the Section 8 tenant, and the charge for the Section 8 tenant is the same as for unassisted tenants (Policy 623). A copy of the Agreement must be attached to the lease when submitted to the Administrative Agent.

- Persons who are living in the unit as "essential to the care" are not considered a party to the lease.

- The assisted lease between the family and owner (including any new lease or lease revision) must be approved by the Administrative Agent. Before approving the lease or revision, the Administrative Agent must determine that the lease meets the requirements of this policy.

    1. The HUD Tenancy Addendum (HUD Form 52641A) must be attached to the lease. The Administrative Agent may not require families and owners to use the VHDA model lease.

2. If there is any conflict between HUD's Tenancy Addendum and any other provisions of the lease, the provisions required by HUD shall control.

3. Utilities and appliances. The VHDA model lease specifies what utilities and appliances are to be supplied by the family and the owner. If the owner's lease is being used, this must be addressed in the owner's lease.

REVIEW OF OWNER'S LEASE

The Administrative Agent may review the lease to determine if the lease complies with state or local law.

NOTE: there is no requirement to review and approve the lease. The only requirement is to attach the HUD Tenancy Addendum to the owner's lease. If the Administrative Agent elects to review a lease, you may decline to approve the lease if the lease does not comply with state or local law.

Independent Group Residences (IGRs)

For IGRs, the Service Agency may own or sublease the IGR. VHDA's Administrative Agent cannot own the IGR unit(s), as this is a conflict of interest. In cases where the Service Agency signs a lease with an owner and subleases to the IGR participant, the Service Agency will sign the lease as the owner. In no case will both the Service Agency's and the owner's lease be used simultaneously. For an IGR, an addendum to the lease (8-673-1), discussed in Policy 673, must be executed which outlines the support services. A separate lease and Housing Assistance Payments Contract is executed for each IGR participant.

MODERATE REHABILITATION UNITS

All owners in the Moderate Rehabilitation program are required to use the VHDA model lease and the 8-MR621-3 (Moderate Rehabilitation Pet Addendum), if appropriate. Additional provisions beyond those incorporated in VHDA's model lease are allowed, provided the provisions comply with state and local law.

NOTE: The "Pet Addendum" (8-MR621-3) is used only in the following Moderate Rehabilitation properties: The Henry, The Atrium, Lee Manor, Rich Acres, and 511 Ridge Street.

NEW LEASE OR REVISION

The Administrative Agent must approve any new lease or lease revision in advance. The new lease or revision must meet the requirements of Policy 1000. VHDA and the owner must enter a new Housing Assistance Payments Contract if the owner requires a new or revised lease.

The owner may offer the family a new lease, for a term beginning at any time after the initial term. The owner must give the tenant written notice of the offer, with a

copy to the Housing Authority, at least 60 calendar days before the proposed beginning date of the new lease term. The offer must specify a reasonable time limit for acceptance by the family.

A few examples of lease revisions include:

- revising the security deposit
- revising the utility responsibilities
- revising the acceptability of pets
- revising or changing the owner or family responsibilities

The following are not examples of lease revisions:

- ♦ revising the Tenant Rent
- ♦ revising the Contract Rent
- ♦ revising the family composition

622: SECURITY DEPOSIT PROVISIONS

EFFECTIVE DATE: July 1996

The owner sets the security deposit. The Administrative Agent ***may*** prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted families. For security deposit amounts, which exceed private market practice, or amounts charged by the owner to unassisted tenants, the Administrative Agent should present this information to the family for their decision. The Administrative Agent will not approve a Request for Tenancy Approval for security deposit amounts, which exceed local or state law. Under Virginia state law, the maximum security deposit amount allowed is two months Contract Rent.

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

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

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

CHAPTER: LEASING

623: DETERMINATION OF THE CONTRACT RENT AND OTHER CHARGES IN ADDITION TO THE RENT

EFFECTIVE DATE: December 1997

The Contract Rent proposed by the owner can only include the rent for the unit including utilities if covered by the rent. The Contract Rent cannot include charges for furniture rental, pet fees, cable television charges, parking fees, swimming pool membership fees, or other similar types of charges.

The rent for Housing Choice Voucher units subsidized under other programs is determined as follows:

(a) Section 236 insured and non-insured.
The subsidized rent is the lesser of the market rent as approved by HUD for the unit, or the PS, but not less than basic rent.

(b) Section 221(d) (3) BMIR.
The subsidized rent is the BMIR rent for the unit.

(c) Section 202 (not including Section 8/202).
The subsidized rent is the rent for the unit as approved by HUD in accordance with the Regulatory Agreement.

(d) FmHA Section 515 having only interest reduction subsidy
The subsidized rent is the lesser of the market rent as approved by HUD for the unit, or the PS, but not less than basic rent (refer to Exhibit 30 for additional information).

(e) State or locally subsidized.
For cases involving a Section 8 participating family in a state or locally subsidized unit, VHDA must be contacted and will request instruction from the HUD on the types of subsidy programs covered by these instructions, and on the procedure for computing the subsidized rent.

(f) HOME-Assisted Projects. Refer to PIH Notice 96-63.

The owner may not assess, and the family may not pay, extra payments in addition to the family's share of the Contract Rent stipulated in the lease and Housing Assistance Payments (HAP) Contract unless the extra charges are for additional amenities which are not included in the same rent for any other units in the building and are not included in the rent in other comparable apartments or houses. This could, but does not necessarily include, membership for a swimming pool, use of certain parking facilities, furniture, amounts owed in back rent, etc.

If such extra payments are to be assessed, they must be included on a Separate Agreement - Charges in Addition to the Rent (see sample format provided at the end of Policy 623), as being handled under separate agreement for which no assistance is being provided. Nonpayment of these extra charges by the family cannot be considered a violation of the lease actually covered under the Housing Assistance

Payments Contract. No extra charges may be assessed for items covered under the lease and Housing Assistance Payments Contract. The Administrative Agent and VHDA must approve extra payments in advance and the family file must be documented accordingly.

IGRs

The rent for a family who participates in the IGR program will be calculated using a different method. In order to determine the portion of the Contract Rent to be allocated to each individual receiving Section 8 assistance, the Contract Rent is divided by the total number of occupants in the IGR (other than the Resident Assistant(s), if any), who will occupy no more than one bedroom. The Contract Rent and utilities will be rounded to a whole dollar and may result in one IGR participant having a gross rent higher than the other IGR participants. In the case of Certificates and Vouchers being combined in one structure, the Certificate IGR participant will be charged the higher prorated Contract Rent and/or utilities. Below are several examples:

EXAMPLE 1: If three Section 8 recipients and a Resident Assistant reside in a 4-bedroom unit, the housing assistance payment for each of the Section 8 recipients would be based on 1/3 of the Contract Rent.

EXAMPLE 2: If two Section 8 recipients, a Resident Assistant and a person not receiving Section 8 assistance reside in a 4-bedroom unit, the housing assistance payments for each of the Section 8 recipients would be based on 1/3 of the Contract Rent; the person not receiving Section 8 assistance would pay 1/3 of the Contract Rent.

EXAMPLE 3: If a Section 8 recipient, a person not receiving Section 8 assistance, and two Resident Assistants each occupy a bedroom in a 4-bedroom unit, the housing assistance payment for the Section 8 recipient would be based on 1/3 of the Contract Rent. One of the Resident Assistants would be considered a person not receiving Section 8 assistance since this section prohibits Section 8 assistance being contributed toward more than 1-bedroom for the housing costs of the Resident Assistant(s).

MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATES

The Contract Rent for a Moderate Rehabilitation/Project-Based Certificate unit is determined by VHDA and should be pulled from the most recent Unit Data Sheet. In cases where families are under occupying the unit at the execution of the Agreement to Enter into a Housing Assistance Payments Contract, the families' names will be listed in the Housing Assistance Payments Contract as having been covered by a special waiver. For these families only, the rent charged will be a lower "under occupied rent" as noted on the Unit Data Sheet. VHDA will provide this information to the Administrative Agent with the final approved Unit Data Sheet. Please contact VHDA if you need clarification of whom or what units are to receive reduced Contract Rents.

Separate Agreement-Charges in Addition to the Rent

This Addendum is used to clarify additional payments made to the OWNER by the TENANT FAMILY effective_____between OWNER, and_____, TENANT FAMILY.

Additional payments will be made to the OWNER on the first of each month, but no later than the fifth of the month as described below:

Amount	Reason for Additional Charge

It is further agreed that nonpayment of these extra charges by the TENANT FAMILY may not be considered a violation of the lease actually covered under the HAP Contract running concurrently with the lease, nor can these items result in claims submitted to VHDA for unpaid rent or damages.

WITNESS: _____ Date: _____

TENANT FAMILY: _____ Date: _____

OWNER: _____ Date: _____

CHAPTER: LEASING

624: UTILITY ALLLOWANCE DETERMINATION

EFFECTIVE DATE: June 2002

- Utility allowances must be determined on a family's behalf if the owner's Contract Rent does not include all utilities. The allowances are established by completing a form entitled "Section 8 Existing Housing Allowance for Tenant Furnished Utilities and Other Services Sheet". VHDA will provide Administrative Agents with utility schedules, as well as with updates and reviews for accuracy of the information.

- In determining the number of bedrooms, a count of the actual number of bedrooms must be made. Rooms that could be considered bedrooms under the inspection criteria though not used for that purpose, may also be counted as bedrooms. Living/sleeping rooms are not considered as bedrooms for the purpose of calculating Utility Allowances since these rooms have already been considered in establishing the utilities.

- In determining the number of exposed walls, there are three or four categories to choose from: one-exposed, two-exposed, three-exposed, and/or four-exposed walls (a few localities have four charts). To determine which category the unit falls in, a count of the number of walls exposed to outside environment should be made. In cases where units do not strictly meet the three categories listed on the chart then use the lowest category (e.g., basement unit that only has one wall exposed, select two-exposed).

- Based on the two preceding determinations, the appropriate sheet can be pulled from those provided and completed on behalf of the family and unit as applicable. Reference will have to be made to the Request for Lease Approval to determine the types of utilities to be paid by the family. Prior to final calculation, contact the owner to again verify utilities as necessary.

- Owners may only split utility bills to assess charges to participating families in accordance with local government ordinance.

- Utility allowances for units that utilize wood stoves or inserts as a secondary source of heat must be established based on the primary source of heat. Only in cases where the stove or insert is the only source of heat can a wood or coal allowance be established by VHDA. In these cases the allowance will be the <u>lowest heat allowance</u> on the schedule.

- If a family supplies the range and/or refrigerator, then they are given the allowance established on the utility allowance schedule.

- ***Mobile Homes (manufactured homes)***

  For manufactured homes, the utilities are determined by using the utility allowance schedule for 4 exposed walls and the appropriate number of bedrooms in the manufactured home that is to be leased by the family.

- ***MANUFACTURED HOME SPACE***

  For manufactured home owners receiving assistance with the space rental, the allowance is established using the certified bedroom size, not the actual number of bedrooms in the unit. Therefore, the square footage table should be disregarded and the chart for four-exposed walls should be used to determine the Utility Allowance using the certified bedroom size.

- ***MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATES***

  In the Mod Rehab and Project-based Certificate units, VHDA determines the Utility Allowances and they are listed on the Unit Data Sheet for the property. Administrative Agents must verify the utilities on the Unit Data Sheet to the actual utility service in the unit at time of inspection. If problems are noted, the VHDA HMO must be informed.

- ***IGRs***

  The Utility Allowance for an IGR is determined based on the actual number of bedrooms in the entire IGR. This figure is then prorated to the eligible participants based on the calculation used to determine the prorating of the Contract Rent.

CHAPTER: LEASING

626: TYPES OF ELIGIBLE HOUSING

EFFECTIVE DATE: July 1996

Almost any type of existing housing may be utilized provided they meet program guidelines. The regulations do, however, prohibit or limit the usage of some housing types.

A. Eligible Types of Housing. Existing rental housing types, which are authorized by the program without any prohibition or limitations, include but are not necessarily limited to, the following:

1. townhouses
2. garden apartments
3. duplexes, tri-plexes, four-plexes, etc.
4. single-family homes
5. Manufactured homes
6. high-rise apartments
7. double bungalows
8. cooperative housing units
9. HUD-insured, or HUD-owned properties (but see item B., 1)

B. Eligible Housing Types With Limitations. The following existing rental housing may be utilized within the noted limitations:

1. Housing built under Section 221(d)(3) Below Market Interest Rate (BMIR), Market Interest Rate (MIR), (Section 236, Section 202 (HUD) programs), and Section 515 Interest Credit (a Farmers Home Administration program) has limitations on its use (Refer to page 5 of 6 of this policy).

2. Congregate Housing, if utilized by eligible elderly, handicapped, disabled, or displaced families or individuals. Congregate housing is housing with a shared central kitchen and dining area and a private living area "for the individual household," of at least a living room, bedroom, and bathroom. In order to utilize congregate housing, approval must be obtained from VHDA and HUD. **No localities currently utilize congregate housing under VHDA's programs.**

3. Independent Group Residence, is utilized by eligible elderly, handicapped, or disabled individuals who require a planned program of supportive services appropriate to their needs.

   To be considered an IGR, a unit must house at least two occupants and no more than 12 (excluding the Resident Assistant). Individuals that qualify to participate in an IGR must be elderly, handicapped, or

disabled and must require a planned program of continual supportive services by a qualified Resident Assistant, who does not necessarily have to live in the unit.

The purpose of an IGR is to provide a housing alternative to institutional care for elderly or persons with disabilities who can reasonably be expected to advance to greater levels of independent living and to provide suitable housing for persons who cannot live completely independent. The individuals would benefit from group interaction but do not need continual medical or nursing care. They shall be ambulatory or not confined to a bed continuously and capable of taking appropriate actions for their own safety under emergency conditions.

Persons not receiving Section 8 assistance or people who are not eligible to receive the assistance can reside in an IGR unit with other Section 8 recipients.

The **Resident Assistant** is a person who lives in an IGR and provides on a daily basis some or all of the necessary support services to elderly and/or disabled individuals receiving Section 8 housing assistance, and who is essential to the care or well being if the individuals. Not all IGRs will require live-in Resident Assistants. If the Assistant resides in the unit, he/she may occupy no more than one bedroom. The Resident Assistant cannot be related by blood, marriage, or act of law to the individuals receiving Section 8 housing assistance, nor contribute a portion of his or her income or resources towards the expenses of these individuals.

The **Service Agency** is a public or private nonprofit organization that is recognized by the state as qualified to determine the supportive service needs of individuals who will reside in IGRs. The Service Agency may perform outreach to potential residents of IGRs and assist these individuals in applying for housing assistance, provide all or a portion of the supportive services, and may identify and coordinate appropriate local, public or private resources to furnish these services. The Service Agency may own or sublease an IGR, but cannot function as VHDA's Administrative Agent if it owns or substantially controls the IGR. The Service Agency must be licensed, certified, or otherwise approved in writing by the state to provide services to IGR residents.

IGRs shall be licensed, certified or otherwise approved in writing by the state (e.g., Department of Human Resources, Mental Health/Mental Retardation, Social Services, etc.) prior to the execution of the Housing Assistance Payments Contract. This approval shall be reexamined periodically based on a schedule established by the state. To assure that facilities and the supportive services are appropriate to the needs of the occupants, the state will also approve the written

Service Agreement (or leases, if the provider of services is the lesser) for each IGR.

A **Service Agreement** is a written agreement approved by the state between the owner (including an entity with the right to sublease) of an IGR and the Service Agency and/or other entities providing the supportive services to the occupant of the IGR. The agreement shall specify the type and frequency of the supportive services to be furnished. All the IGR units receiving assistance through VHDA use the VHDA model lease and the IGR Supportive Services Agreement Addendum (8-673-1).

A planned program of supportive services appropriate to the needs of the occupants shall be provided on a continual basis by a qualified Resident Assistant(s) residing in the unit, or other qualified person(s) not residing in the unit. Supportive services which are provided within the unit may include the following types of services: Counseling; social services which promote physical activity, intellectual stimulation and/or social motivation; training or assistance with activities of daily living including housekeeping, dressing, personal hygiene and/or grooming; provision of basic first aid skills in case of emergencies; supervision of self-administration of medications, diet and nutrition; and assurance that occupants obtain incidental medical care, as needed, by facilitating the making of appointments at, and transportation to, medical facilities. Supportive services provided within the unit shall not include the provision of continual nursing, medical or psychiatric care.

The provision and quality of the planned program of supportive services, including the minimal qualifications, quantity and working hours of the Resident Assistant(s) living in the unit or other person(s) providing continual supportive services, shall be initially determined by the Service Agency in accordance with the standards established by the state. Compliance with these standards by the Service Agency shall be regularly monitored throughout the term of the Contract by the Administrative Agent/VHDA and the state (e.g., Department of Human Resources, Mental Health/Mental Retardation, Social Services, etc.), or a local authority (other than the Service Agency providing services) designated by the state to establish, maintain and enforce such standards.

A written Service Agreement, approved by the state and in effect between the owner and the Service Agency and/or the entities, which provide the necessary supportive service, shall be submitted to VHDA with the request for lease approval. The lease between the eligible individual and the owner sets forth the owner's obligation for the means of providing these services. If the lessor provides the supportive services (generally the case in all of VHDA's IGR units), a Service Agreement is not required. The provision of these services

shall be incorporated into the lease and shall be approved by the state. All VHDA IGR programs use the VHDA model lease with the appropriate addendum (8-673-1).

The lease signed between the IGR resident and the owner/Service Agency must incorporate by reference the supportive services to be provided in accordance with the written Service Agreement provided by the state between the owner and the Service Agency and/or other entities providing these services. If the Service Agency and/or other entity are providing services and also acting as lessor, a separate Service Agreement is not necessary (VHDA has created a separate Service Agreement, 8-673-1, because we did not want the supportive services to be included in our model lease for all users of the lease). The supportive services to be provided which have been previously approved by the state, will be incorporated in the lease through the IGR addendum. The state and VHDA (or its Administrative Agent) must monitor the services provided by the Administrative Agent. All the IGR units receiving assistance through VHDA use VHDA's model lease and the IGR Supportive Services Agreement addendum (8-673-1) at this time.

In order to utilize Independent Group Residences, units must be designated as such by HUD and listed on the locality's Phase Information Sheet.

C. The following types of housing may not be assisted in the tenant-based programs:

1. A public housing or Indian housing unit;

2. A unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f);

3. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services;

4. College or other school dormitories;

5. Units on the grounds of penal, reformatory, medical, mental and similar public or private institutions;

6. A unit occupied by its owner or by a person with any interest in the dwelling unit. However, assistance may be provided for a family residing in a cooperative. In the case of shared housing, an owner unrelated to the assisted family may reside in the unit, but assistance may not be paid on behalf of the resident owner.

D. A family may not receive rental assistance in a unit owned by a relative of any member of the assisted family (parent, child, grandparent, grandchild, sister or brother of any member of the assisted family) unless the Administrative

Agent determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities.

E. Housing Assistance Payments made on behalf of Housing Choice Voucher Holders who rent Manufactured Homes may include assistance for rental of the space on which the unit is located if the cost of the space is included in the Contract Rent and if it meets the reasonableness test. Manufactured home owners who rent their space also receive assistance.

CHAPTER: **LEASING**

627: RENTINGTO RELATIVES

EFFECTIVE DATE: **March 2002**

The Administrative Agent must not approve a unit if the owner is the parent, child, grandparent, grandchild, sister or brother of any member of the family unless the Administrative Agent determines that approving the unit would provide a reasonable accommodation for a family member who is a person with disabilities. This prohibition applies to new admissions and moves with continued assistance. Lease between such relatives with an effective date of May 1998 or earlier remain valid. Administrative Agent should use the following model language to acknowledge understanding of this requirement:

PROHIBITION ON RELATIONSHIP TO OWNER:

I/We certify that no legal or beneficial owner of this unit is the parent, child, grandparent, grandchild, sister of brother of any member of the tenant family.

CHAPTER: LEASING

631: CONFLICT OF INTEREST

EFFECTIVE DATE: July 1996

As stated in the Housing Assistance Payments Contract certain individuals may not have any interest in dwelling units approved under the program, as follows:

Conflict of Interest Provisions: No present or former member or officer of the Housing Authority (except tenant commissioners), no employee of the Housing Authority who formulates policy or influences decisions with respect to the Section 8 program, and no public official or member of governing body or state or local legislator who exercises functions or responsibilities with respect to the Section 8 program during this person's tenure or for one year thereafter, shall have any direct or indirect interest in this Contract or in any proceeds or benefits arising from it. HUD may waive application of this provision for good cause.

Interest of Members of or Delegates to Congress: No member of, or delegate to, the Congress of the United States of America, or resident commissioner, shall be admitted to any share or part of this Contract or to any benefits, which may arise from it.

However, under special circumstances, and with prior HUD approval, a waiver of the Conflict of Interest clauses in the Housing Assistance Payments Contract may be obtained. The Administrative Agent should notify VHDA if such a waiver is needed. A written request documenting the circumstances will be required which must include the following information:

1. A complete statement of the facts in the case;
2. Justification for waiving the conflict-of-interest provisions;
   (a) If the case involves hardship for the tenant family, a statement of facts of the case including: (i) circumstances of hardship, (ii) alternative existing housing available under the Section 8 Existing or Moderate Rehabilitation program, and (iii) other assisted housing available for lease. A hardship case is where (i) an eligible, in-place family is handicapped, is elderly, or includes many minors, and (ii) moving would be a burden or very difficult because of a shortage of available housing meeting housing quality standards;

   (b) If the case involves a public official, member of a governing body, or state or local legislator, an explanation of the person's duties under state or local law, including reference to any responsibilities that involve the Housing Choice Voucher or Moderate Rehabilitation programs. Where relevant, the interrelationship of the city, county, and state governments should be discussed;

(c) If the case involves an employee or a tenant, there must be an explanation of the responsibilities and duties of the job involved;

(d) If the case involves nepotism, the relationship must be identified and a statement discussing financial dependency of the parties included;

(e) If the case involves an investment of a person covered by the conflict-of-interest provisions, the nature of the investment must be described and any applicable disclosure and divestiture plans specified;

3. Written evidence that the waiver, if granted, would be consistent with state law and local ordinances. The local commonwealth’s attorney should issue this legal opinion;
4. A written statement from VHDA's executive director as to whether there would be an appearance of impropriety if the waiver were granted;
5. A description of the disclosure of the conflict to the board of commissioners or governing body, as the case may be. This normally appears in the board's or governing body's minutes; and
6. An affirmation that the affected person will not exercise responsibilities or functions with respect to an agreement or contract to which he is a party. This, too, normally appears in the board's or governing body's minutes.

632: DETERMINING HOUSING QUALITY STANDARDS COMPLIANCE

EFFECTIVE DATE: July 1996

All units must have an inspection made in accordance with Chapter 700 of the Operations Manual and Housing Inspection Manual.

Moderate Rehabilitation units have an additional requirement beyond the Section 8 Housing Quality Standards Policy which serves to assure VHDA that improvements made as a result of rehabilitation are still in place and/or serviceable. The Administrative Agent must utilize the Inspection Checklist (HUD Form-52580) to complete the inspection. A unit's age, the initially required rehabilitation, as well as normal wear and tear, must be taken into consideration when inspecting the Moderate Rehabilitation unit. For example, if storm windows and doors were installed as a part of the initial rehabilitation effort, then in order for the unit to pass, the storm windows and doors must still be present and serviceable. It is felt that the higher Moderate Rehabilitation rent level as initially approved compensated the owner for these additional requirements, and since the higher rents continue to be in effect, the higher standards should be maintained as well.

NOTE: HUD Form-52580 may be accessed at:
www.hudclips.org/sub_nonhud/html/pdfforms/52580.pdf

CHAPTER: LEASING

633: DETERMINING RENT REASONABLENESS

EFFECTIVE DATE: June 2000

The Administrative Agent shall certify for each unit for which a lease is approved, and for each unit for which the owner is requesting a rent increase that Contract Rent for such unit is:

1. Reasonable in relation to rents currently being charged for comparable units in the private unassisted market, taking into account the location, age, size, type, quality, amenities, facilities, management, and maintenance services of such unit, and
2. Not in excess of rents currently being charged by the owner for comparable unassisted units.

Three comparable units must be compared to the unit selected by the family. The units must be as similar as possible. For units in apartment complexes, the comparison should be based on the rents charged on unassisted units on the same premises. They must be the same bedroom size as the unit selected unless no other units are in the market.

The Administrative Agent will complete for each unit it approves, the Certification of Rent Reasonableness form (8-633-1) and maintain a copy in the family's file. Instructions for completion of the forms are contained within the contents of the forms.

Under no circumstances will a unit be approved for Certificate subsidy if the Administrative Agent determines that the Contract Rent is unreasonable. As a general rule, cases should not reflect more than a $25 to $50 difference in the rent listed for the comparable units unless justified. If more than a $25 to $50 difference, the case should be questioned concerning whether it is reasonable.

Data for determining rent reasonableness must be collected by the Administrative Agent. Contact should be made with local Realtors to obtain rental information. The information should be maintained by unit type and bedroom size.

SPECIAL TYPES OF HOUSING:

MANUFACTURED HOME OWNERS' SPACE

Rent reasonableness determinations for Manufactured Home Owners' Space Rental will be based on the space rental only, including the utilities in the space rental as applicable.

IGRS

A rent reasonableness determination for IGRs is based on the gross rent of the entire unit. Items on the Certification of Rent Reasonableness form (8-633-1) are completed for the entire structure and not on prorated portions. Consideration shall be given to the presence or absence of common (rather than private) cooking, dining and sanitary facilities, and to the provision of special amenities or of maintenance or management services. *The Contract Rent shall not include the cost of providing supportive services, housekeeping, laundry services, furniture, food, or serving food*.

When completing questions regarding the *FMR/PS, Contract Rent, and Utility Allowance*, the information should be provided as appropriate for the *bedroom size of the entire IGR*, not based on the share of such costs prorated to the assisted Family.

The owner can only receive the rent increase once in a twelve month period, even though there will be a HAP Contract for each IGR participant with the potential of different HAP Contract anniversary dates in one housing structure. The Annual Adjustment Factor is applied, if requested, to the total Contract Rent for the entire unit and then is prorated for each case. Do not apply the AAF to the prorated Contract Rent on each individual HAPC effective date. The AAF is to be applied one time to all the cases involved in the housing structure type. Below is an example:

- Service Agency signed a lease with the owner effective October 1.
- 3 HAP Contracts executed with the following effective dates: November 1, February 15, and June 1.
- Apply the AAF on October 1st or the anniversary date of the lease between the actual owner of the property and the Service Agency.

Administrative Agents may contact VHDA to assist in the determination of when or how to apply the AAF if you have any concerns or questions.

MODERATE REHABILITATION

Before approving an increase in rent for a Moderate Rehabilitation unit or project, the Administrative Agent is required to certify that the proposed rent is reasonable in

relation to rents for comparable unassisted unit, unless the difference results from a difference in the initial contract rents.

PROJECT-BASED CERTIFICATE

The Administrative Agent shall certify for each unit for which a Project-Based Certificate lease is approved that Contract Rent for such unit is:

1. Reasonable in relation to rents currently being charged for comparable units in the private unassisted market that are comparable to the newly constructed units or the units after they are rehabilitated, taking into account the location, age, size, type, quality, amenities, facilities, management, and maintenance services of such unit;
2. Not in excess of rents currently being charged by the owner for comparable unassisted units; and
3. The initial Contract Rent may not be more than HUD determines necessary to make the project feasible after taking account of other government assistance in accordance with guidelines.

The Administrative Agent will complete for each Project-Based Certificate unit it approves, the Certification of Rent Reasonableness form (8-633-1) and maintain a copy of the 8-633-1 in the family's file.

635: $0 HAP PAYMENT FOR UNIT SELECTED

EFFECTIVE DATE: July 1996

If it is determined that the family's TTP is high enough that a Housing Assistance Payment will not be generated on the unit chosen, the Request for Tenancy Approval must be denied. The Family may still look for other housing through the expiration of their Housing Choice Voucher.

A Family cannot move into a Moderate Rehabilitation or Project-Based Certificate unit that will not generate a Housing Assistance Payment.

CHAPTER: LEASING

636: VHDA/ADMINISTRATIVE AGENT OWNED UNITS

EFFECTIVE DATE: June 2000

A unit that is owned by the Administrative Agent or VHDA may only be assisted under the tenant-based program if **all** of the following conditions are satisfied:

1. The family has been informed by the Administrative Agent, both orally and in writing, that the family has the right to select an eligible dwelling unit, and that the Administrative Agent or VHDA-owned unit is freely selected by the family, without Administrative Agent pressure or steering;

2. The unit is not ineligible housing;

3. During the assisted occupancy, the family does not benefit from any form of housing subsidy prohibited by Policy 637;

4. The Administrative Agent must request, and VHDA must obtain the services of an independent entity to perform the following functions:

    - Rent reasonableness
    - Assist the family in negotiating rent with the owner
    - Inspect the unit for compliance with HQS

    NOTE: HUD must approve the independent entity

5. The Administrative Agent or VHDA as owners are subject to the same program requirements that apply to other owners in the tenant-based program.

637: PROHIBITION AGAINST OTHER HOUSING SUBSIDY

EFFECTIVE DATE: July 1997

A Family *may not* receive the benefit of tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

1. Public or Indian housing assistance;

2. Other Section 8 assistance (including other tenant-based assistance);

3. Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);

4. Section 101 rent supplements;

5. Section 236 rental assistance payments;

6. Tenant-based assistance under the HOME Program;

7. Rental assistance under Section 521 of the Housing Act of 1949 (a Farmers Home Administration program);

8. Any local or State rent subsidy; or

9. Any other duplicative federal, state, or local housing subsidy, as determined by HUD. For this purpose, “housing subsidy” does not include the housing component of a welfare payment, a social security payment received by the Family, or a rent reduction because of a tax credit.

638: DISAPPROVAL OF OWNER

EFFECTIVE DATE: July 1996

The Administrative Agent and/or VHDA must not approve a unit if either has been informed (by HUD or otherwise) that the owner is debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24. When directed by HUD, the Housing Authority must not approve a unit if;

- The Federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other Federal equal opportunity requirements and such actions as pending; or

- A court or administrative agency has determined that the owner violates the Fair Housing Act or other Federal equal opportunity requirements.

In its administrative discretion, the Housing Authority and Administrative Agent *may* deny approval to lease a unit from an owner for any of the following reasons:

1. The owner has violated obligations under a Housing Assistance Payments Contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);

2. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;

3. The owner has engaged in drug-trafficking;

4. The owner has a history or practice of non-compliance with the Housing Quality Standards for units leased under the family-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program;

5. The owner has a history or practice of renting units that fail to meet state or local housing codes; or

6. The owner has not paid state or local real estate taxes, fines, or assessments.

Nothing in this rule is intended to give any owner any right to participate in the program.

For purposes of this policy, “owner” includes a principal or other interested party.

639: OWNER RESPONSIBILITY FOR SCREENING FAMILIES

EFFECTIVE DATE: July 1996

Owners are permitted and encouraged to screen families on the basis of their tenancy histories. An owner may consider a family's background with respect to such factors as:

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

CHAPTER: LEASING

640: NOTIFYING THE OWNER AND FAMILY OF LEASE REQUEST STATUS

EFFECTIVE DATE: July 1996

A letter must be sent to the family and owner notifying them of the status of their lease request as soon as a decision is reached. Copies of the letter must be placed in the family file. Reference should be made to Policies 641 and 642, as applicable.

CHAPTER: LEASING

641: NOTIFYING OWNER AND FAMILY OF DISAPPROVED LEASE REQUEST

EFFECTIVE DATE: July 1996

The Administrative Agent in accordance with policies can disapprove lease requests. Should a decision of this type be made, the Administrative Agent must send to the family and owner the Sample Letter--Disapproval of Lease Request, informing them that the lease request was not approved and the reasons for such a decision. The letter must also state whether or not the problems can be remedied. If they can, a deadline date for resubmitting the lease request must be stated in the letter.

Reference should be made to Policy 549 regarding Voucher extensions if so required.

SAMPLE LETTER

Disapproval of Lease Request

Date _____

Dear Family:

The lease request between you and _____owner_____ for the unit located at _(Proposed Dwelling Unit Address)_ is disapproved for the following reason(s):

_____

_____

_____

If the conditions noted above are remedied and a new lease request is requested of this office by __(Date)_, the lease may be approved if this office determines the conditions have been remedied satisfactorily with the effective date of the lease subject to change. If the items are not so marked, the problems cannot be corrected.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments program

cc: Owner
File

642: NOTIFYING OWNER AND FAMILY OF AN APPROVED LEASE REQUEST

EFFECTIVE DATE: July 1996

VHDA/ADMINISTRATIVE AGENT APPROVAL: The Administrative Agent may not give approval for the family to lease a dwelling unit, or execute a Housing Assistance Payments Contract, until the Administrative Agent has determined that all of the following meet program requirements:

- The unit is eligible;
- The unit has been inspected and passes HQS;
- The lease is approvable and includes the lease addendum;
- The rent to owner is reasonable; and
- The rent for the unit, including utilities, is not so high that the family will be required to pay more than 40 % of their monthly-adjusted income for rent and utilities at initial lease-up.

All of the following must always be completed before the beginning of the lease term:

- The unit has been inspected, and it has been determined the unit satisfies the Housing Quality Standards (HQS); and
- The owner and the family have executed the lease; and
- The Administrative Agent has approved leasing of the unit in accordance with program requirements.

***WHEN THE HAP CONTRACT IS EXECUTED*:** The Administrative Agent must use best efforts to execute the Housing Assistance Payments Contract before the beginning of the lease term. The Housing Assistance Payments Contract must be executed no later than 60 calendar days from the beginning of the lease term.
The Housing Authority may not pay any housing assistance payment to the owner until the Housing Assistance Payments Contract has been executed.
If the Housing Assistance Payments Contract is executed during the period of 60 calendar days from the beginning of the lease term, the Housing Authority will pay housing assistance payments after execution of the Housing Assistance Payments Contract (a maximum of 60 days).

Any Housing Assistance Payments Contract executed after the 60-day period is void, and the Housing Authority may not pay any housing assistance payment to the owner.

***NOTICE TO FAMILY AND OWNER*:** After receiving the family's request for approval to lease a unit, the Housing Authority must promptly notify the family and owner whether the assisted tenancy is approved.

PROCEDURE AFTER ADMINISTRATIVE AGENT APPROVAL: If the Administrative Agent has given approval for the family to lease the unit, the owner and the Administrative Agent execute the Housing Assistance Payments Contract. If the lease request is approved, the Sample Letter -- Notification of lease request Approval must be sent to both the owner and family notifying them of the approval.

NOTE: The HAP Contract (HUD Form-52641) may be located at:
www.hudclips.org/sub_nonhud/html/pdfforms/52641.pdf

SAMPLE LETTER

Notification of Tenancy Request Approval

Date _____

Dear Owner:

The lease request between you and (Family Name) for the unit located at (Dwelling Unit Address) has been approved. You will be contacted in the near future to schedule a time to complete the necessary paperwork.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher
Housing Assistance Payments program

cc: Family
File

662: COMPUTING THE PAYMENT PORTIONS OF IGRs

EFFECTIVE DATE: January 1996

To determine the portion of the gross rent to be allocated to assisted participant in an IGR, divide the number of persons in the assisted household by the total number of residents (assisted and unassisted – DO NOT INCLUDE RESIDENT ASSISTANTS) residing in the group home. Listed below are three examples:

Example 1: If 3 recipients and a Resident Assistant reside in a 4-bedroom unit, the HAP payment for each of the recipients would be based on one-third of the gross rent.

Example 2: If 2 recipients, a Resident Assistant and a person not receiving assistance reside in a 4-bedroom unit, the HAP Payment for each of the Section 8 recipients would be based on one-third of the gross rent; the person not receiving assistance would pay one-third of the gross rent.

Example 3: If a recipient, a person not receiving assistance, and 2 Resident Assistants each occupy a bedroom in a 4-bedroom unit, the HAP Payment for the recipient would be based on one-third of the gross rent and one of the Resident Assistants would be considered a person not receiving assistance. The Program prohibits assistance being contributed toward more than 1 bedroom for the housing costs of the Resident Assistant(s).

663: UTILITY REIMBURSEMENT PAYMENT (URP)

EFFECTIVE DATE: July 1996

In the Housing Choice Voucher Program, a family may receive a Utility Reimbursement Payment (URP) if the Utility Allowance is greater than the TTP or if the unit rents for more than the voucher payment standard. The URP will assist the family in paying their monthly utilities. The housing assistance payments to the owner will, in this case, represent an amount equal to the entire Contract Rent.

CHAPTER: LEASING

670: PREPARING THE HAP CONTRACT

EFFECTIVE DATE: July 1996

The Administrative Agent is responsible for preparing the Housing Assistance Payments (HAP) Contract depending on what type of unit is selected in the Voucher program. The form must be typed in triplicate. No white-out or other forms of apparent correction can be present.

DIFFERENT TYPES OF HAP CONTRACTS:

For families who will be subsidized with a Housing Choice Voucher, use the Housing Choice Voucher Contract, HUD-52641. For families using a voucher to lease manufactured home space only, use HAP Contract HUD-52642.

For families who will reside in IGRs, a separate HAP Contract and lease is executed for each IGR participant.

VHDA monitors the Moderate Rehabilitation (HUD-52539A and HUD-52539B) and Project-based Certificate HAP Contract (HUD-52530A and HUD 52530B).

The HAP Contract, along with the lease and the addenda, if applicable, must list the actual owner as the owner, noting the person/agency designated to act on the owner's behalf as the management agent. If there is joint ownership, all parties must sign the HAP Contract unless the authority has been given to one individual. In the case of Independent Group Residences, a Service Agency that is subleasing the IGR unit will sign as owner.

NOTE: The above referenced HAP Contracts can be located :

HUD Form 52641: www.hudclips.org/sub_nonhud/html/pdfforms/52641.pdf

HUD Form 52642: www.hudclips.org/sub_nonhud/html/pdfforms/52642.pdf

HUD Form 52539A: www.hudclips.org/sub_nonhud/html/pdfforms/52539-a.pdf

HUD Form 52539B: www.hudclips.org/sub_nonhud/html/pdfforms/52539-b.pdf

HUD Form 52530A: https://www.hud.gov/dds/index.cfm (to request a copy of this form from HUD's Direct Distribution System)

HUD Form55530B: http://www.hudclips.org/sub_nonhud/html/pdfforms/52530-a.pdf

672: PREPARING THE ADDENDUM TO OWNER'S LEASE

EFFECTIVE DATE: July 1996

In some cases, owners are required to, or prefer to use their own lease rather than VHDA's Model lease. In these situations, the appropriate Addendum must be attached to the owner's lease. No white out, erasures, or other apparent correction may be made on the documents.
There are several types of Addenda-- depending on the Program type.

- Housing Choice Voucher Tenancy Addendum (HUD-52641-A)
- Lease Addendum for Assistance on Behalf of Manufactured Home Owner Leasing a Manufactured Home Space (HUD-52642-A)
- Addendum to Lease Agreement for Moderate Rehabilitation contracts prior to November 1993 (HUD-52517-C), and for Moderate Rehabilitation Contracts November 1993 and later (HUD-52517-D).

NOTE: The above referenced addenda can be located at:

HUD Form 52641-A: www.hudclips.org/sub_nonhud/html/pdfforms/52641-a.pdf

HUD Form 52642-A: www.hudclips.org/sub_nonhud/html/pdfforms/52642-a.pdf

HUD Form 52517-C: www.hudclips.org/sub_nonhud/html/pdfforms/52517c.pdf

HUD Form 52517-D: www.hudclips.org/sub_nonhud/html/pdfforms/52517d.pdf

CHAPTER: LEASING

673: PREPARING THE INDEPENDENT GROUP RESIDENCE ADDENDUM

EFFECTIVE DATE: July 1996

The form, Addendum to the Lease - Independent Group Residence Supportive Services Agreement (8-673-1), must be completed for all IGRs outlining the services to be provided by the Service Agency (refer to Policy 626). The same guidelines governing the preparation of the Addendum (Policy 672) apply, as applicable.

The blanks following, "The services listed above will be provided...." should list the scheduling of the services to be provided by the Service Agency.

The current 8-673-1 has deleted the statement regarding termination of housing assistance in certain circumstances. We cannot permit termination of housing assistance on behalf of a participant because the Service Agency will no longer be providing services to the client, or because the client desires to exercise their portability right and relocate outside the jurisdiction of the Service Agency. Housing assistance will continue on behalf of a participant who is Section 8 eligible, however, the housing component might not be administered by the Service Agency, and in these cases VHDA may contract with another entity to continue to provide housing to the individual. Housing assistance is not terminated if the client fails to cooperate with the program, if services are terminated, if they are no longer in need of services, etc. These statements have generally been incorporated as an addendum to the lease. The family is still entitled to rental assistance, with or without the support services. In order to comply with Federal law, a family or client cannot be terminated from rental assistance because their support services have been terminated, and therefore the use of signed statements or language found in a lease addendum can no longer be condoned by VHDA.

681: EXECUTING-HAP CONTRACT, LEASE AND ADDENDUM

EFFECTIVE DATE: June 2002

Lease and HUD Addendum:

- Prior to having the lease and any required Addenda signed, make sure that the owner has obtained his security deposit. The lease should reflect the amount the owner collected.
- Go over in detail all forms that the owner and family are signing.
- The *head of household and spouse* must sign the lease and any required Addenda.
- All owners, unless authority is designated otherwise, must sign documents requiring owner signatures.
- All copies of forms must be signed individually so that original signatures will be on all copies.
- **The assisted lease may not be effective prior to the date that the unit meets the Housing Quality Standards. If the lease effective date or move-in date is 1/4/02, the family's next scheduled annual recertification is 2/1/03. If the lease effective date or move-in date is 1/1/02, the family next scheduled annual recertification is 1/1/03**.

Housing Assistance Payments Contract:

The Housing Assistance Payment Contract is a contract between the Administrative Agent and the owner. In the Housing Assistance Payment Contract for tenant-based assistance, the owner agrees to lease a specified dwelling unit to a specified eligible family, and VHDA agrees to make monthly housing assistance payments to the owner for the family.

The term of the Housing Assistance Payment Contract is the same as the term of the lease.

The Administrative Agent must use best efforts to execute the Housing Assistance Payment Contract before the beginning of the lease term. The Housing Assistance Payment Contract must be executed no later than 60 calendar days from the beginning of the lease term.

VHDA may not pay any housing assistance payments to the owner until the Housing Assistance Payment Contract has been executed.

If the Housing Assistance Payments Contract is executed during the period of 60 calendar days from the beginning of the lease term, VHDA will pay housing assistance payments after execution of the Housing Assistance Payments Contract (a maximum of 60 calendar days).

Any Housing Assistance Payments Contract executed after the 60-calendar day period is void, and VHDA may not pay any housing assistance payments to the owner.

If the initial Housing Assistance Payments Contract is effective 1/4/02, the family's next scheduled annual recertification is 2/1/03. If the initial Housing Assistance Payments Contract effective date is 1/1/02, the family's next scheduled annual recertification is 1/1/03.

CHAPTER: LEASING

683: OWNER RESPONSIBILITIES

EFFECTIVE DATE: March 2002

The owner is responsible for performing all of the owner's obligations under the Housing Assistance Payments Contract and the lease. The owner is responsible for:

1. Performing all management and rental functions for the assisted unit, including selecting a Housing Choice Voucher-holder to lease the unit and deciding if the family is suitable for tenancy of the unit.

2. Tenant screening.

3. Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary performance.

4. Complying with equal opportunity requirements.

5. Preparing and furnishing to the Administrative Agent, information required under the Housing Assistance Payments Contract.

6. Collecting from the family:

    - Any security deposit.
    - The tenant contribution (the part of rent to owner not covered by the housing assistance payment).
    - Any charges for unit damage by the family.

7. Enforcing tenant obligations under the lease.

8. Paying for utilities and services (unless paid by the family under the lease).

9. For provisions on modifications to a dwelling unit occupied or to be occupied by a disabled person.

CHAPTER: LEASING

691: SUBMISSION DEADLINES

EFFECTIVE DATE: June 2002

In order that housing assistance and utility reimbursement payments are made timely, the Administrative Agent is responsible for completing the appropriate certification type for the family in the Elite Software system.

NOTE: Please refer to the cut-off date(s) for Elite Software data entry deadlines for the bi-monthly check runs (1st and 15th of the month) to avoid a delay housing assistance and utility reimbursement payments.

693: NOTIFICATION OF VHDA LEASE APPROVAL/REVISIONS TO DOCUMENTS

EFFECTIVE DATE: July 1996

CALCULATION ERRORS: If calculation errors are discovered, the VHDA-revised amounts will go into effect as follows:

1. An increase in the family's Tenant Rent will be implemented only after VHDA gives a 30-day written notice by completing the 8-900-1/8-900-2;
2. A decrease in the Tenant Rent will be implemented per the lease effective date and VHDA will alert all parties of the new rent portions by completing the 8-900-1/8-900-2. If an Administrative Agent continues to calculate cases with errors, the locality may be subject to loss of administrative fee income. It is not necessary to redo any leases since the 8-900-1/8-900-2 amends the payment portions listed in the lease.
3. If an Administrative Agent calculates a Utility Reimbursement Payment (URP) too high, VHDA will pay the URP through the 30-day notice period. VHDA will give a 30 day written notice by completing the 8-900-1/8-900-2; and
4. If an Administrative Agent calculates a URP too low, VHDA will correct the URP amount and pay it at the correct amount. No notice is required.

If no errors were found, upon receipt of the fully executed Housing Assistance Payments Contact, the Administrative Agent must send to the owner a copy of the lease, Housing Assistance Payments Contract, and Tenancy Addendum. Families are to receive a copy of the lease, Tenancy Addendum and the Virginia Landlord and Tenant Handbook. The family's file will retain a copy of the lease, Tenancy Addendum and Housing Assistance Payments Contract.

694: NOTIFICATION TO OWNER AND FAMILY OF VHDA LEASE DISAPPROVAL/PROGRAM INELIGIBILITY

EFFECTIVE DATE: July 1996

If VHDA determines the family is ineligible for program participation upon review of the case submitted by the Administrative Agent, VHDA will advise all parties that housing assistance payments will be terminated giving 30 days notice to all parties. VHDA will make housing assistance payments (which includes HAP and URP) on behalf of the family through the 30-day notice time period. Housing assistance payments of this kind are subject to be paid from the locality's administrative fee income since the Administrative Agent determined the initial eligibility of the family incorrectly.

If VHDA revises the amounts to the owner or the Tenant Rent/Utility Reimbursement Payment amount, VHDA will notify all parties by completing the 8-900-1/8-900-2.

CHAPTER: LEASING

695: DOUBLE PAYMENT TO OWNERS/FAMILIES

EFFECTIVE DATE: February 1998

DOUBLE PAYMENTS AND FAMILY MOVE-OUT

If the family moves out of the unit, VHDA may not make any housing assistance payment to the owner for any month after the month the family moves out. The owner may keep the housing assistance payment for the month that the family actually moves out of the unit.

If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. **Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, *IS NOT CONSIDERED A DUPLICATE HOUSING SUBSIDY*.**

696: PAYMENTS TO FAMILIES/OWNERS

EFFECTIVE DATE: July 1996

The Administrative Agent must electronically submit the required HUD Form 50058 to VHDA for all new cases on or before the 10th of a month **to ensure that the owner will receive payment on the 1st of the following month** (e.g. 1/04/95 -- 1/31/95 lease term....case received at VHDA on 1/10/95 can be assured of a payment on 2/1/95 for the period covering 1/04/95 through 2/28/95).

If the same case (1/04/95 - 1/31/95) was received on 1/11/95, the owner must be told that the first payment will not be received until 3/1/95. Leases received after the 10th will not receive a payment on the first of the next month...they will receive a payment on the following month. The important date is the date VHDA receives the case for processing, not the effective date of the lease.

VHDA has implemented an interim check run to improve the timeframe for payments for new or initial lease requests and other miscellaneous payments. The interim check run deadline of the tenth is not a second processing deadline for regular recertifications that are due at VHDA on the first of the month.

If you need clarification for an owner/ family on when to expect a check, please contact VHDA before you try to commit to a specific date. Please do not tell an owner and/or family a date to expect a check that is not within VHDA's current check writing policy.

CHAPTER 700: INSPECTIONS

CHAPTER: INSPECTIONS

700: PERFORMANCE AND ACCEPTABILITY REQUIREMENTS-GENERAL

EFFECTIVE DATE: September 1996

PERFORMANCE AND ACCEPTABILITY REQUIREMENTS

This chapter states the Housing Quality Standards (HQS) for housing assisted in the programs. Program housing must comply with the HQS, both at initial occupancy of the dwelling unit, and during the term of the assisted lease. Policies 700-736 are from 982.401 of the regulations.

1. The Housing Quality Standards consist of:

- Performance requirements;
- Acceptability criteria; and
  - HUD approved variations in the acceptability criteria as outlined below:

a) HUD may grant approval for the Administrative Agent to use acceptability criteria variations that are based on local codes or national standards that satisfy the purposes of the HQS. VHDA and HUD approved variations are found in Policy 740.

b) HUD may approve acceptability criteria variations because of local climactic or geographic conditions.

c) HUD will not approve acceptability criteria variations that will unduly limit the amount and types of available rental housing stock.

Separate policies state performance and acceptability criteria for these key aspects of housing quality:

a) Sanitary facilities;

b) Food preparation and refuse disposal;

c) Space and security;

d) Thermal environment;

e) Illumination and electricity;

f) Structure and materials;

g) Interior air quality;

h) Water supply;

i) Lead-based paint;

j) Access;

k) Site and neighborhood;

l) Sanitary condition; and

m) Smoke detectors.

712: SANITARY FACILITIES

EFFECTIVE DATE: September 1996

SANITARY FACILITIES

PERFORMANCE REQUIREMENTS

The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition, and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.

ACCEPTABILITY CRITERIA

a) The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

b) The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.

c) The dwelling unit must have a shower or tub in proper operating condition with hot and cold running water.

d) The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

714: FOOD PREPARATION AND REFUSE DISPOSAL

EFFECTIVE DATE: September 1996

FOOD PREPARATION AND REFUSE DISPOSAL

Performance Requirement

The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.

There must be adequate facilities and services for the sanitary disposal of food wastes and refuge, including facilities for temporary storage where necessary (e.g., garbage cans).

Acceptability Criteria

a) The dwelling unit must have an oven, and a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. Either the owner or the family may supply the equipment. A microwave may be substituted for a family-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the family agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized families in the building or premises.

b) The dwelling unit must have a proper kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.

c) The dwelling unit must have space for the storage, preparation and serving of food.

d) There must be facilities and services for the sanitary disposal of food waste and refuse, where necessary (e.g., garbage cans).

716: SPACE AND SECURITY

EFFECTIVE DATE: September 1996

SPACE AND SECURITY

Performance Requirement

The dwelling unit must provide adequate space and security for the family.

Acceptability Criteria

a) At a minimum, the dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

b) Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed as ventilation or as an alternate exit in case of fire.

c) The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

718: THERMAL ENVIRONMENT

EFFECTIVE DATE: September 1996

THERMAL ENVIRONMENT

Performance Requirement

The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

Acceptability Criteria

a) There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

b) The dwelling unit must not contain unvented room heaters that burn gas, oil, and kerosene. Electric heaters are acceptable.

720: ILLUMINATION AND ELECTRICITY

EFFECTIVE DATE: September 1996

ILLUMINATION AND ELECTRICITY

Performance Requirement

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

Acceptability Criteria

a) There must be at least one window in the living room and in the sleeping room.

b) The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

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

CHAPTER: INSPECTIONS

722: STRUCTURE AND MATERIALS

EFFECTIVE DATE: September 1996

STRUCTURE AND MATERIALS

Performance Requirement

The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

Acceptability Criteria

a) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.

b) The roof must be structurally sound and weather tight.

c) The exterior wall structure and surface must not have any serious defects such as leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

d) The condition and equipment of the interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

e) Elevators must be working and safe.

CHAPTER: INSPECTIONS

724: INTERIOR AIR QUALITY

EFFECTIVE DATE: September 1996

INTERIOR AIR QUALITY

Performance Requirement

The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

Acceptability Criteria

a) The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

b) There must be adequate air circulation in the dwelling unit.

c) Bathroom areas must have one openable window or other adequate exhaust ventilation.

d) Any room used for sleeping must have at least one window. If the window is designed to be openable, the window must work properly.

726: WATER SUPPLY

EFFECTIVE DATE: September 1996

WATER SUPPLY

Performance Requirement

The water supply must be free from contamination.

Acceptability Criteria

The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

CHAPTER: INSPECTIONS

728: LEAD-BASED PAINT REQUIREMENTS

EFFECTIVE DATE: September 2000

Purpose and Applicability

- The purpose of this policy is to implement the new lead based paint requirements effective September 15, 2000. This summary covers only those Programs below administered by the Special Programs Department of VHDA. This summary is a guide and is not inclusive of all the lead-based paint requirements. This summary guide should be read in conjunction with the new lead-based paint regulations under the Code of Federal Regulations 24 CFR Part 35.

Background

- The new lead-based paint regulations became effective September 15, 2000.
- The new regulations stress identification and control of lead-based paint hazards to reduce lead poisoning among young children.
- The new regulations contain different requirements for lead-based paint depending upon the type of assistance the unit receives:

  - Tenant-Based Subsidy (Part A - Certificate, Rental Voucher and Housing Choice Voucher Programs) - 24 CFR Part 35 Subparts A, B, M and R apply.

  - Project-Based Subsidy (Part B - Section 8 Moderate Rehabilitation and Project-based Certificate Programs) - 24 CFR Part 35 Subparts A, B, H, and R applies.

Definitions - see definitions in the Code of Federal Regulations 24 CFR Part 35.

- PHA - VHDA and its Administrative Agents

PART A

LEAD-BASED PAINT REQUIREMENTS FOR TENANT-BASED SUBSIDY (Certificate, Rental Voucher and Housing Choice Voucher Programs)

1. Exempt Units - housing exempt from the lead-based paint requirements include:

- Units built after December 31, 1977;
- Zero (0) bedroom units;
- Housing built for the elderly or persons with disabilities, unless a child under the age of 6 resides or is expected to reside in such housing;

- Property for which a paint inspection was completed in accordance with the new regulations and found to have no lead-based paint;
- Property in which all lead-based paint was identified, removed and received clearance in accordance with the new regulations; and
- Units occupied by families with children age 6 and above.

2. Lead-Based Paint Requirements apply to:

- Dwellings built before January 1, 1978 and occupied, or to be occupied by, assisted families with one or more children under the age of 6.

3. Where the requirements apply:

- The unit interior and exterior paint surfaces associated with the assisted unit; and

- The common areas servicing the unit, including those areas through which residents pass to gain access to the unit, and other areas frequented by resident children less than 6 years of age such as play areas, and child care facilities. Common areas also include garages and fences on the assisted property.

4. Basic Requirements

- Notification and disclosure
- Visual assessment
- Lead hazard reduction
- Response to poisoned children
- Ongoing maintenance
- Data collection/record keeping

5. Notifications and Disclosure of Lead-Based Paint Hazards Prior to Occupancy

- The owner (or owner's agent) is required to disclose any knowledge of lead-based paint or lead-based paint hazards in housing built prior to 1978 to prospective residents prior to the execution of the lease. (See sample notice, Disclosure). The VHDA Administrative Agent must keep a copy of the disclosure notice executed by the owner and tenant in the family's file.

- The owner must also provide the prospective family with a copy of *Protect Your Family from Lead in Your Home* or another EPA-approved document.

- The VHDA Administrative Agent is required to provide the family with a copy of *Protect Your Family from Lead in Your Home* in the family briefing.

Owner Briefing

- The VHDA Administrative Agent is also required to provide this summary guide for Lead Based Paint Requirements to all future new owners to the Program.

6. Visual Assessment for Deteriorated Paint

- The VHDA Administrative Agent must conduct a visual inspection for deteriorated paint surfaces at all the locations described above at both the initial and annual inspection. The HUD Inspection Form 52580 (dated 3/2001) must be used.

- Deteriorated paint surfaces are defined as interior or exterior paint or other coating that is peeling, chipping, chalking or cracking, or has separated from the substrate of the surface or fixture.

- The inspection may be conducted by an HQS inspector (or other party designated by the VHDA Administrative Agent) but all inspectors must be trained in visual assessment in accordance with procedures established by HUD. The LBP Visual Assessor Course is available on the Office of Lead Hazard Control website: http://www.hud.gov/lea/training/visualassessment/h00100.htm

7. Stabilization of Deteriorated Paint Surfaces

- When the inspector conducting the visual assessment identifies deteriorated paint surfaces, the VHDA Administrative Agent must notify and require the owner to perform stabilization of the surface before commencement of an assisted tenancy or for a currently assisted unit, within 30 days of notification to the owner.

- Owners must perform paint stabilization on all deteriorated paint surfaces *regardless of the size of the deteriorated surface*. Paint stabilization is defined as:

- Removal of all loose paint and other loose material from the surface being treated;

- Repair of any physical defect in the substrate of the painted surface or building component before treating the surface or component. Examples of defective substrate conditions include dry rot, rust, moisture-related defects, crumbling plaster, missing siding or other components not securely fastened; and

- Application of a new protective coat of paint to the stabilized surface.

<u>De Minimus Levels</u>

- Owner requirements for compliance with a PHA's paint stabilization notice differ depending upon the amount of deteriorated paint surface to be corrected. De minimus deteriorated paint surfaces are those below:

- 20 square feet on any exterior surface;
- 2 square feet on any interior surface in a single room or interior space;
- 10 percent of individual small components on the interior or exterior.

Below De Minimus Levels

- If the amount of deteriorated paint is below the de minimus level, the owner has only two requirements to correct the deficiency:

- Perform paint stabilization; and

- Notify the occupants of any paint stabilization activities within 15 calendar days of completion (see sample notice, Summary Notice of Completion of Lead-Based Paint Hazard Reduction Activity).

Above De Minimus Levels

- If the amount of deteriorated paint is above the de minimus level, the owner is required to perform additional activities to gain compliance with the HUD lead-based paint requirements including:

- Conduct the stabilization activities with trained staff;

- Employ acceptable methods for preparing the surface to be treated including wet scraping, wet sanding and power sanding performed in conjunction with a high-efficiency particulate air (HEPA) filtered local exhaust attachment operated according to manufacturer's instruction;

- Dry sanding and dry scraping is not permitted except within 1 foot of electrical outlets or when treating defective paint spots totaling no more than 2 square feet in any one interior room or space or no more than 20 square feet on exterior surfaces;

- Protect the occupants and their belongings from contamination;

- Conduct clearance activities. Clearance examination must be performed by persons who have EPA or state approved training and who are licensed or certified to perform clearance examinations (see website for Listing of Certified LBP Personnel: www.leadlisting.org; and

- Notify the occupants within 15 calendar days of the stabilization activity and provide the results of the clearance examination (see sample notice, Summary Notice of Completion of Lead-Based Paint Hazard Reduction Activity).

- Submit an executed copy of the Lead Based Paint Owner's Certification to the VHDA Administrative Agent (see sample Certification). The HQS violation for paint stabilization is considered closed when the VHDA Administrative Agent receives an executed copy of this Certification.

- VHDA will reimburse the owner $150 for the first clearance test. The owner shall be responsible for subsequent clearance tests where the initial clearance test failed the unit. The owner shall provide their written request for reimbursement and an executed copy of the Lead Based Paint Owner's Certification to the VHDA Administrative Agent. The VHDA Administrative Agent will forward the owner's request for reimbursement along with an executed copy of the Certification to VHDA.

- An owner may not employ any paint stabilization methods that are strictly prohibited by federal, state or local law such as:

- Open flame burning and torching;
- Machine sanding or grinding without a HEPA local exhaust control;
- Heat guns operating above 1,100 degrees Fahrenheit;
- Abrasive blasting or sandblasting without HEPA exhaust control;
- Dry sanding and scraping except limited conditions stated above for limited areas; and
- Paint stripping in poorly ventilated space using a volatile stripper or a hazardous chemical as defined by Occupational Safety and Health Administration (OSHA).

- Failure to comply with paint stabilization requirements (regardless of the amount of deteriorated surface) will result in disapproval of tenancy, abatement of payment to the owner and/or termination of the Contract.

8. Requirements for Children with Environmental Intervention Blood Lead Level

- HUD has defined "environmental intervention blood lead level" as a confirmed concentration of lead in whole blood equal or greater than 20 uf/dL (micrograms of lead per deciliter) for a single test, or 15-19 ug/dL in 2 tests taken at least 3 months apart in children under the age of 6.

Notification

- VHDA or the VHDA Administrative Agent may be notified of an environmental intervention blood lead level child living in a program unit by a medical health care provider, public health department, the family, owner or other outside sources.

- When information regarding an environmental intervention blood lead level child under the age of 6, is received from the family, owner or other sources not associated with the health community, the VHDA Administrative Agent must immediately verify the information with a public health department or other medical health care provider.

- If either, the public health department or private health agency provides verification that the child has an environmental intervention blood lead level,

- When VHDA or the VHDA Administrative Agent receive a report of an environmental intervention blood lead level child from any source other than the public health department, the VHDA Administrative Agent must notify the health department within 5 working days.

- Immediately following notification by a public health agency or public health care provider, the VHDA Administrative Agent must first contact their local health department to request a risk assessment. If the local health department cannot conduct the risk assessment, the VHDA Administrative Agent must contact VHDA to arrange for a risk assessment. A risk assessment of the dwelling unit (and common areas servicing the dwelling unit) that the child lived in at the time the child's blood was sampled must be completed within 15 days of notification by a public health agency or public health care provider; provided the unit is HUD-assisted. In most areas of the country, the risk assessment will be completed free of charge to the PHA by the local health department. In areas where this is not possible, VHDA must hire a certified risk assessor and pay the cost of the assessment.

Risk Assessment

Persons trained and certified by an EPA, or another state-approved agency, must complete risk assessments.

- Risk assessments involve on-site investigation to determine the existence, nature, severity and location of lead-based paint hazards. The investigation may include paint inspections (tests for lead in paint), dust and soil sampling and visual evaluation. A report is issued by the assessor explaining the results of the investigation and options and requirements for making any needed corrections.

- Upon completion of the risk assessment, VHDA must provide the report to the owner and the owner must complete reduction of identified lead-based paint hazards within 30 days.

- The owner must notify the building residents of the results of the risk assessment within 15 days of receipt from VHDA (see sample notice, Summary Notice of Lead-Based Paint Risk Assessment).

Hazard Reduction

- Hazard reduction activities may include paint stabilization, abatement, interim controls, or dust and soil control. The appropriate method of correction should be identified in the risk assessment.

- Hazard reduction is considered complete when a clearance examination has been completed, and the report indicates that all hazards identified by the risk assessment have been treated or the public health department certifies that the hazard reduction is complete.

- The owner must notify building residents of any hazard reduction activities within 15 days of completion of the activities (see sample notice, Summary Notice of Completion of Lead-Based Paint Hazard Reduction Activities).

- Like paint stabilization compliance, receipt of the Owner's Certification signals compliance with lead hazard reduction activities.

- Failure to complete hazard reduction activities (including clearance) within 30 days of notification constitutes a violation of HQS and results in abatement of payment and ultimately cancellation of the HAP contract for occupied units, or refusal to execute a HAP contract if the unit is vacant. In either case, the unit may not be reoccupied by another assisted family, regardless of the ages of children in the family, until compliance with the risk assessment is gained.

9. Ongoing Maintenance

- In addition to the visual assessment completed by the HQS inspector, the owner is required to conduct a visual assessment for deteriorated paint and failure of any hazard reduction measures at unit turnover and every 12 months of continued occupancy.

- The owner is required to make corrections of deteriorated paint and any failed lead hazard reduction measures when observed personally or by owner staff. Correction methods are the same as those for paint stabilization activities discussed earlier.

- The owner must provide written notice to each assisted family asking occupants to report deteriorated paint. The notice must include the name, address and phone number of the person responsible to accept the occupant's complaint.

- The owner certifies that this requirement is being met by presenting the Owner's Certification to the VHDA Administrative Agent before the execution of the lease and at annual inspection.

10. PHA Data Collection and Record Keeping

- Quarterly, the VHDA Administrative Agent must attempt to obtain the names and addresses of children under the age of 6 with an identified environmental intervention blood lead level from the public health department having jurisdiction in the same area as the VHDA Administrative Agent.

- The VHDA Administrative Agent must match information received from the health department with information about program families. If a match occurs, the

- Quarterly, the VHDA Administrative Agent must report a list of addresses of units occupied by children under the age of 6, receiving assistance to the public health department, unless the health department indicates that such a report is not necessary.

NOTE: Refer to the sample Elevated Blood-Lead Level Release Form that Administrative Agents may utilize to obtain the above information. A copy of any release of information form signed by the family must be maintained in the family's file.

SAMPLE: ELEVATED BLOOD-LEAD LEVEL RELEASE FORM

This will authorize _____ (name of Health Department or physician) to release the name of the child who has been diagnosed with an elevated blood lead level and the address of the unit determined to contribute to the condition.

Full Name of Patient (Please Print or Type)	Social Security Number of Patient
Signature of Parent/Guardian	Street Address
Date	City State Zip

TO WHOM IT MAY CONCERN:

The individual named above is a resident/applicant for housing, which has rents that are subsidized through the U.S. Department of Housing and Urban Development's Section 8 Housing Assistance Payment Program. Federal regulations require that in order for a family to be eligible for this form of assistance, the income of the family, expenses, and other information related to eligibility must be verified. The local housing agency is required by law to annually match their children receiving rental assistance to the records of the local health agencies or providers. The information requested below will be held in strict confidence as is required under the provisions of the Virginia Privacy Protection Act, and will be used only to determine the eligibility of the family for the housing subsidy or the unit in which they reside.

Thank you for your cooperation in completing those applicable portions of this inquiry and returning it in the enclosed, self-addressed envelope.

Administrative Agent	Street Address
Position/Title	City State Zip
Date	Telephone Number

☐ The following child has an EBL:

Name of Child:_____ Age:_____

Unit Address:_____

☐ No record or match for above patient.

Print Name Health Department Official	Telephone Number
Signature	Date
Title	

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

PART B

LEAD-BASED PAINT REQUIREMENTS FOR PROJECT-BASED SUBSIDY (Section 8 Moderate Rehabilitation and Project-Based Certificates Programs)

1. **Exemptions -** exemption from the requirements apply to:

- Units built after 1977;
- SROs (Single Room Occupancy) and zero (0) bedroom units;
- Elderly and handicapped units where children are not expected to reside; and
- Units free of lead.

2. **Program Requirements**

- Lead-based paint requirements apply to:

  - Units built before January 1, 1978;
  - All assisted units within the property; and
  - Common areas servicing assisted dwelling units.

- The regulations apply different requirements to project-based properties according to the average annual per unit amount of housing assistance payment (HAP).

- Units receiving less than or equal to $5,000 in HAP and single-family project-based units are covered under 24 CFR Subpart H Section 35.720;

- Units receiving more than $5,000 in HAP are covered by 24 CFR Subpart H Section 35.715.

Calculations:

- VHDA must perform the calculation annually;

- All assisted units are included in the calculation, even exempt units;

- VHDA may only use the PHA HAP payments, not the gross rent for the assisted units to complete the calculations:

- Example: 6 Unit Property, 5 Assisted Units

Unit #	Size	Rent	Tenant	PHA HAP
1	0 BR	$400	$200	$200
2	1 BR	$500	$200	$300
3	2 BR	$600	$100	$500
4	2 BR	$600	$200	$400
5	2 BR	$600	$300	$300
6	2 BR	$600	$600	$0

- Use the assistance for one month ($1,700)

- Calculate the total assistance to the property in one month, and multiply by 12 to determine the annual figure ($1,700 x 12 = $20,400);

- Divide by the total number of assisted units in the property ($20,400/5 = $4,080).

Single Family Properties and Properties Receiving Up To $5,000

- The requirements are practically the same as with Housing Choice Voucher units with two major exceptions:

  - Visual assessments are completed by the VHDA Administrative Agent at initial and annual inspection for *all assisted units regardless of the ages of family members;* and

  - Owners are responsible for the requirements for poisoned children (see Part A, 8. Requirements for Children with Environmental Intervention Blood Lead Level, pages 5-7).

- Notifications and disclosure apply as discussed in Part A, 5. Notification and Disclosure of Lead-Based Paint Hazards Prior to Occupancy, page 2.

- The owner must perform paint stabilization in the same manner as discussed in Part A, 7. Stabilization of Deteriorated Paint Surfaces, pages 3-5.

- The owner must perform ongoing lead-based paint maintenance when each unit turns over and every 12 months thereafter as discussed Part A, 9. Ongoing Maintenance, page 7.

Multifamily Units above $5,000

Basic Overview of Requirements

- The owner is responsible to meet all the requirements for lead-based paint for these properties. *Note that the PHA requires no visual assessment for any units in this category.*

- Notification and disclosure apply as previously discussed.

- The owner must perform a risk assessment of the property. Completion of the risk assessment depends upon the age of the property:

  - by September 17, 2001 for properties built before 1960; and

- by September 15, 2003 for properties built between 1960 and 1978.

- Corrective action for lead-based paint broadens to include the term *Interim Controls*.

- Ongoing maintenance as discussed previously applies. Reevaluation or repeat risk assessments are required.

- Owners must meet all requirements for poisoned children as previously discussed.

3. Risk Assessments and Interim Controls

- Owners pay the cost on risk assessments. Owners may obtain a Listing of Certified LBP Personnel form the website: www.leadlisting.org, or by contacting the VHDA Administrative Agent.

- Risk assessments are required to be completed by the time deadlines stated above.

- The certified risk assessor issues a report after the assessment is completed. The types of corrective action needed for lead-based paint are dictated by the risk assessor and will be clearly spelled out in the report.

- Until the risk assessment (issuance of the assessor's report), the owner must conduct interim controls in compliance with the report within the following time frames:

90 Days

- Units with children under the age of 6 and common areas servicing these units;

- New move-ins with children under the age of 6.

12 Months

- All other units and common areas.

- By definition, interim controls include paint stabilization, treatment of friction and impact surfaces, duct control and lead contaminated soil control.

- Persons performing interim controls must be trained to do so or supervised by trained abatement personnel as discussed under Part A, 7. Stabilization of Deteriorated Paint Surfaces, pages 3-5. Owners may obtain a Listing of Certified LBP Personnel from the website (www.leadlisting.org), or by contacting the VHDA Administrative Agent.

- Occupant protection is required during the performance of interim controls.

- Interim controls are not considered complete until clearance is achieved. Owners may obtain a listing of Licensed Clearance Testers/Risk Assessors from the website above or by contacting the VHDA Administrative Agent.

- The owner must provide the residents with the results of the risk assessment within 15 days of receipt of the assessor's report (see Sample Summary Risk Assessment Notice). The owner must also notify residents of interim control activities and the results of clearance within 15 days of the work.

- The owner has the option to completely skip the risk assessment and perform standard treatments (interim controls) throughout the assisted property. All requirements for interim controls apply.

- The owner may skip the risk assessment and have the units and common areas inspected (tested) for lead-based paint. If the inspection results prove that no lead paint is present in the designated areas, no further action regarding lead is required during the life of the property.

4. Ongoing Maintenance and Reevaluation

- The owner must perform ongoing maintenance beginning September 15, 2000.

- Ongoing maintenance includes notice to all assisted residents to report deteriorated paint. The notice must include the name, address and phone number of the person who is responsible for taking resident complaints.

- Ongoing maintenance does not have to be conducted if:

  - A paint inspection indicates no lead-based paint is present.

  - A clearance report indicates that all lead-based paint was removed; or

  - A risk assessment indicates no soil or dust hazards.

- Reevaluation simply means a new risk assessment.

- Reevaluation is required each 2 years following completion of the original risk assessor's report unless the report revealed no lead-based paint hazards; or

  - a paint inspection revealed no lead-based paint; or

  - all lead-based paint was abated and no failures of encapsulations or enclosures have been found during visual assessments (ongoing maintenance).

- Reevaluations are eliminated if 2 consecutive reevaluations reveal no problems.

- If the risk assessor identifies hazard during a reevaluation, the owner must make corrections with the same time frames stated above for the original risk assessment.

- Owners pay the cost of reevaluation.

5. Response to Poisoned Children

- The owner is responsible to follow all requirements previously discussed in Part A 8 (Requirements for Children with Environmental Intervention Blood Lead Level).

Note: Owners will be eligible to receive funds to defray the cost of paint inspection and risk assessments. HUD will issue implementation instructions. VHDA will notify its Administrative Agents.

6. PHA Responsibilities

- VHDA must notify owners when risk assessments are required. The notification should state the proper deadline for the assessment.

- The PHA should inform owners of all new requirements and have mechanisms in place to track the performance of each property.

- The PHA may initiate sanctions for non-compliance with lead-based paint requirements under the terms and conditions of the HAP Contract. Failure to comply with these requirements will result in abatement of payments and ultimately termination of the HAP contract.

7. Websites and Telephone Numbers

Lead Website	http://www.hud.gov/offices/lead/index.cfm
Listing of Certified LBP Personnel	http://www.state.va.us/dpor
LBP Visual Assessor Course	http://www.hud.gov/lea/training/visualassessment/h00100.htm
Lead Based Paint Compliance Assistance Center	1-866-483-1012 (Toll Free Number)
Real Estate Assessment Center's Technical Service Support Center	1-877-406-9220 (Toll Free Number)

CHAPTER: INSPECTIONS

729: DISCLOSURE OF LEAD-BASED PAINT HAZARDS

EFFECTIVE DATE: January 1997

DISCLOSURE OF LEAD-BASED PAINT HAZARDS

As a result of past Federal, State and local efforts to reduce lead in the environment, the percentage of children with elevated levels of lead in their blood has declined considerably over the past 20 years. Studies suggest that lead exposure form deteriorated residential lead-based paint, contaminated soil, and lead in dust is among the major existing sources of lead exposure among children in the United States.

Section 1018 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 directs EPA and HUD to jointly issue regulations requiring disclosure of known lead-based and/or lead-based paint hazards. All persons selling or leasing housing constructed before the phase out of residential lead-based paint, which began in 1978, are affected by this legislation. This regulation impacts our programs due to the fact that we supply model leases for the program; and as a PHA we desire to assist in the lead-based paint hazard reduction efforts.

The EPA and HUD have established the following requirements:

1. Sellers and **lessors** of most residential housing built *before 1978* must disclose the presence of known lead-based paint and/or lead-based paint hazards in the housing;

2. Sellers and **lessors** must provide purchaser and *lessees* with any available records or reports pertaining to the presence of lead-based paint and/or lead-based paint hazards;

3. Sellers and **lessors** must provide purchasers and *lessees* with a federally approved lead hazard information pamphlet;

4. Sales and **leasing contracts** must include certain disclosure and acknowledgment language as required by 8-729-1.

http://www.hudclips.org/sub_nonhud/cgi/pdf/23016.pdf is the link to the final rule (published September 15, 1999) on disclosure of lead-based paint hazards. The Administrative Agent must assist in educating the owner on the new requirements and attach the disclosure to the owner's lease where applicable.
As inspections are completed please ensure the disclosure is obtained and in the family's file.

This rule impacts both the conventional market and subsidized property (i.e., this rule applies to all owners who sell or lease units not just properties involved with federal money or the HAP contract in which VHDA is subsidizing). This regulation is in addition to what VHDA currently requires for HQS.

Targeted Housing: Housing that was constructed prior to 1978, except housing for the elderly or person with disabilities (unless any child who is less than 6 years of age resides, or is expected to reside, in such housing or any 0-bedroom dwelling) or any 0-bedroom dwelling is considered "targeted housing" and subject to the new requirements.

Below are the major points to cover with owners:

- Lessors must provide lessees with a federally approved lead hazard information pamphlet (the pamphlet-*Protect Your Family From Lead In Your Home* serves this purpose). Owners can secure copies for their use by contacting the National Lead Information Clearinghouse (NLIC), toll-free, at (800-424-LEAD or fax requests to the NLIC at (202) 659-1192. VHDA only supplies Administrative Agents with the pamphlet for the family briefings. .
- Lessors must disclose to the lessees the presence of any known lead-based paint and/or lead-based paint hazards.
- Lessors must provide lessees with available records and reports.
- Lessors must attach or include in the leasing contract specific disclosure requirements and warning language.

Housing affected:

All transactions to sell or lease target housing except the following:

1. Sales of target housing at foreclosure
2. Leases of target housing found to be lead-based paint free by an inspector certified under the Federal certification program or under a federally accredited State or tribal certification program.
3. Short-term leases of 100 days or less
4. Renewals of existing leases in target housing in which the lessor have previously disclosed all information required by law

Effective date of rule:

- For owners of more than 4 residential dwellings: September 6, 1996.
- For owners of 1 to 4 residential dwellings: December 6, 1996.

SAMPLE LEAD PAINT DISCLOSURE FORM

Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention.

Lessor's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):
(i)_____Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

_____

_____

(ii)_____Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the lessor (check (i) or (ii) below):
(i)_____Lessor has provided the lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

_____

_____

(ii)_____Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Lessee's Acknowledgment (initial)

(c) _____Lessee has received copies of all information listed above.
(d) _____Lessee has received the pamphlet *Protect Your Family from Lead in Your Home*.

Agent's Acknowledgment (initial)

(e) _____Agent has informed the lessor of the lessor's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

_____		_____	
Lessor	Date	Lessor	Date
_____		_____	
Lessee	Date	Lessee	Date
_____		_____	
Agent	Date	Agent	Date

Sample

Summary Notice of Completion of Lead-Based Paint Hazard Reduction Activity

Address/location of property or structure(s) this summary notice applies to:

_____

_____

_____

Summary of the hazard reduction activity:

Start and completion date(s): start: _____ completion _____

Activity locations and types. List at least the housing unit numbers and common areas (for multifamily housing), bare soil locations, dust-lead locations, and/or building components (including type of room or space, and the material underneath the paint), and types of hazard reduction activities performed at the locations listed:

_____

_____

_____

_____

_____

_____

Dates(s) of clearance testing and/or soil analyses: _____

Locations of building components with lead-based paint remaining in the rooms, spaces or areas where activities were conducted:

_____

_____

_____

_____

Summary of results of clearance testing and soil analyses:

(a) _____ No clearance testing was performed.
(b) _____ Clearance testing showed clearance was achieved.
(c) _____ Clearance testing showed clearance was not achieved.

Contact person for more information about the hazard reduction:

Printed name: _____
Organization: _____
Street and city: _____
State: _____ ZIP: _____ Phone number: (____)_____

Person who prepared this summary notice:

Printed name: _____
Signature: _____
Date: _____
Organization: _____
Street and city: _____
State: _____ ZIP: _____ Phone number: (____)_____

Sample

LEAD PAINT OWNER'S CERTIFICATION
HOUSING CHOICE VOUCHER PROGRAM
PROJECT-BASED PROPERTIES RECEIVING $5,000 AND UNDER PER UNIT PER ANNUM
AND
ALL PROJECT-BASED SINGLE FAMILY PROPERTIES

The undersigned hereby certifies that the property located at: (give full address, include apartment number)

_____

_____

_____

is in compliance with all Housing Quality Standards (HQS) requirements related to lead-based paint as indicated below:

(Mark ALL appropriate boxes)

o The described property, including dwelling units, common areas and exterior painted surfaces, has been found to be free of lead-based paint by a certified lead-based paint inspector. The lead-based paint inspector's report is either attached or has already been provided to the housing authority.

o A certified lead-based paint inspector inspected the described property and lead-based paint was identified. All identified lead-based paint has been removed from the property, and the reports of the lead-based paint inspector and the certified lead-based paint abatement supervisor are attached or have already been provided to the housing authority.

o Ongoing lead-based paint maintenance activities have been incorporated into regular building operations in accordance with 24 CFR 35.1355(a).

o Corrective action to address lead-based paint hazards at the described property were required by the PHA to meet HQS have been completed in accordance with all requirements established by 24 CFR Part 35, including:

(NOTE: Only the last box below must be check when lead hazard reduction activities do not disturb more than 20 sq. ft. on exterior surfaces, 2 sq. ft. in any one interior room or space of 10% of the total surface area on an interior or exterior component with Small surface area).

o The work was completed by person(s) trained to conduct lead-hazard reduction activities or was supervised by a certified lead-based paint abatement supervisor.

o Occupants of the dwelling unit(s) and their belongings were protected during the course of the work.

o The lead hazard worksite was properly prepared and maintained during the course of the work.

o A person certified to conduct clearance examinations performed a clearance test and the results indicate clearance was achieved.

o Occupants have been properly notified of the results of any lead-based paint hazard evaluation and reduction, including the results of the clearance examination.

(Owner's Signature): _____

(Type or Print Name: _____

(Date): _____

SUMMARY

Summary Notice of Lead-Based Paint Risk Assessment

Address/location of property or structure(s) this summary notice applies to:

_____

_____

Lead-based paint risk assessment description:

Date(s) of risk assessment: _____

Summary of risk assessment results (check all that apply):

(a) _____ No lead-based paint hazards were found.
(b) _____ Lead-based paint hazards were found.
(c) _____ A brief summary of the findings of the risk assessment is provided below (required if any lead-based paint hazards were found).

Summary of types and locations of lead-based paint hazards. List at least the housing unit numbers and common areas (for multifamily housing), bare soil locations, dust-lead locations, and/or building components (including type of room or space, and the material underneath the paint), and types of lead-based paint hazards found:

_____

_____

_____

_____

_____

_____

_____

_____

Contact person for more information about the risk assessment:

Printed name: _____
Organization: _____
Street and city: _____
State: _____ ZIP: _____ Phone number: (____)_____

Person who prepared this summary notice:

Printed name: _____
Signature: _____
Date: _____
Organization: _____
Street and city: _____
State: _____ ZIP: _____ Phone number: (____)_____

CHAPTER: **INSPECTIONS**

730: ACCESS

EFFECTIVE DATE: **September 1996**

ACCESS

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

CHAPTER: INSPECTIONS

732: SITE AND NEIGHBORHOOD

EFFECTIVE DATE: September 1996

Performance Requirement

The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

Acceptability Criteria

The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulation of trash; vermin or rodent infestation; or fire hazards.

734: SANITARY CONDITION

EFFECTIVE DATE: September 1996

Performance Requirement

The dwelling unit and its equipment must be in sanitary condition.

Acceptability Criteria

The dwelling unit and its equipment must be free of vermin and rodent infestation.

736: SMOKE DETECTORS

EFFECTIVE DATE: September 1996

1. Except as provided in paragraph 2 of this policy, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If any hearing-impaired person occupies the dwelling unit, smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in the NFPA 74 (or successor standards).

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

CHAPTER: INSPECTIONS

740: HIGHER HQS STANDARDS

EFFECTIVE DATE: July 2002

The following are HUD-approved standards that exceed minimum standards:

1. VHDA UNITS/LOCALITIES

- July 1980: Moderate Rehabilitation units have an additional requirement beyond HQS which serves to assure that improvements made as a result of rehabilitation are still in place and/or serviceable. Moderate Rehabilitation units must meet the Standards to which the units were rehabilitated.

- July 1990: VHDA will require cracking, chipping, scaling, peeling or loose paint to be repainted regardless of lead content. All VHDA units will comply with the applicable regulatory requirements of lead-based paint as well as VHDA's higher standard of no defective paint. The desire to improve the appearance of interior and exterior of units by requiring washing/sanding/scraping/wire brushing and repainting with a nonleaded paint is not a lead-base requirement. The requirement is a higher standard adopted by VHDA and approved by HUD. This higher standard applies to **all units** (pre-1978 and post-1978; all bedroom sizes; elderly and family; and the ones certified by a qualified inspector to be free of lead-based paint). This higher standard is a cosmetic not a lead-based paint issue.

- July 1990: All manufactured homes will have "under-skirting" around the base of the manufactured home.

- September 1991: If a wood or coal stove is the primary source of heat, a statement must be signed by the owner and head of household that the stove was installed properly and inspected and approved locally, if required, and that the chimney is, and will be cleaned at least annually. This statement can be handwritten on the last page of the inspection booklet.

- February 1996: Policy 728 discusses a 10 square feet, 2 square feet and 10% requirement which defines the surface amount to be treated. VHDA units will require defective surfaces to be treated regardless of the total area surface amount.

2. CITY OF MANASSAS/MANASSAS PARK
    - June 1991: One smoke detector near the bedroom will be required in a single family home or apartment; and
    - June 1991: One smoke detector will be required for each level/floor of a townhouse.

3. PULASKI COUNTY
    - January 1992: All units that have openable windows will be required to have screens to protect families from infestation of flies, bees and other insects;
    - January 1992: All units that have storm window frames and/or partial storm windows or screens will be required to replace/repair all parts of the storm windows or screens which are missing or not operating properly at annual inspections to protect families from infestation of flies, bees, and other insects; and
    - January 1992: All units that have had existing storm doors and screen doors will be required to keep them in operable/openable condition or replace/repair as needed.

CHAPTER: INSPECTIONS

745: HQS-SPECIAL HOUSING TYPE REQUIREMENTS

EFFECTIVE DATE: September 1996

The following HQS performance and acceptability requirements will be met in order to qualify a particular housing type for participation in the Program.

1. Independent Group Residence (IGR). An IGR is defined as housing for the exclusive residential use of 2 to 12 elderly, handicapped or disabled individuals (excluding 1 to 2 Resident Assistants, if needed), who cannot live completely independently, and require a planned program of supportive services. IGRs are intended to promote advancement to greater levels of independent living. Individuals residing in IGRs:
   - must not require continuous medical or nursing care;
   - must be ambulatory (with or without appliances including wheelchairs) and not confined to a bed continuously; and
   - must be capable of taking the appropriate actions under emergency conditions for their own safety.

   Both the services and facility of the IGR must be approved by the State agency responsible for certifying the type of service and facility that may be proposed. Nonetheless, since HUD assistance is available for shelter only, the subsidy for services must come from other public or private sources.

   A. Summary of Standards

      1. The polices of this Chapter apply except Policy 712, 714, 716, 722, 732. Listed below are the deviations applicable to this special housing type:

         1) The unit shall contain and have ready access to a flush toilet which can be used in privacy, a fixed basin with hot and cold running water and a shower and/or tub equipped with hot and cold running water all in proper operating condition and adequate for personal cleanliness and the disposal of human wastes. These facilities shall utilize an approved public or private disposal system and shall be sufficient in number so that they need not be shared by more than 4 occupants. Those units accommodating physically handicapped occupants with wheelchairs or other special equipment shall provide access to all sanitary facilities, and shall provide, at appropriate height, grab bars for toilets and in showers, and/or bathtubs; shower seats; and adequate space for movement.

2) The unit shall contain suitable space to store, prepare, and serve foods, in a sanitary manner. A cooking stove or range, refrigerator of appropriate size and in sufficient quantity for the number of occupants, and a kitchen sink with hot and cold running water shall be present in proper operating condition. The sink shall drain into an approved private or public system. Adequate space for the storage, preparation and serving of food shall be provided. There shall be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

3) The dwelling unit shall afford the Family adequate space and security. A living room, kitchen, dining area, bathroom, and other appropriate social and/or recreational community space shall be within the unit and the dwelling unit shall contain at least 1 sleeping room of appropriate size for each 2 persons. Exterior doors and windows accessible from outside each unit shall be capable of being locked. An emergency exit plan shall be developed and occupants apprised of the details of the plan. Appropriate local officials shall conduct regular fire inspections. Readily accessible first aid supplies, fire extinguishers, and smoke detectors shall be provided throughout the unit. Emergency phone numbers (police, ambulance, fire, etc.), shall be available at every phone and each IGR participant shall have a list of the emergency phone numbers. All emergency and safety features and procedures shall meet applicable State and local standards.

4) The unit shall be structurally sound so as not to pose any threat to the health and safety of the occupants and to protect the occupants from the environment. Ceilings, walls, and floors shall not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling or noticeable movement under walking stress, missing parts, or other serious damage. The roof structure shall be firm and weather tight. The exterior wall structure and exterior wall surface shall not have any serious defects such as serious leaning, buckling, sagging, cracks, or holes, loose siding, or other serious damage. The condition and equipment of interior and exterior stairways, halls, porches, walkways, etc., shall not present a danger of tripping and/or falling. Elevators shall be maintained in safe and operable condition. Units accommodating physically handicapped occupants with wheelchairs and other special equipment shall not contain architectural

barriers that impede access or use. Handrails and ramps shall be provided as appropriate.

5) The site and neighborhood shall be reasonably free from disturbing noises and reverberations and other hazards to the health, safety, and general welfare of the occupants; shall not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks, steps, instability, flooding, poor drainage, septic tank back-ups, sewage hazards or mudslides, abnormal air pollution, smoke or dust, excessive noise, vibrations or vehicular traffic; excessive accumulations of trash; free from vermin or rodent infestation; and free from fire hazards. The unit shall be located in a residential setting and be similar in size and appearance to housing generally found in the neighborhood, and be within walking distance or accessible via public or available private transportation, to medical and other appropriate commercial and community service facilities.

6) Supportive Services

(I) A planned program of adequate supportive services appropriate to the needs of the occupants shall be provided on a continual basis by a qualified Resident Assistant(s) residing in the unit, or other qualified person(s) not residing in the unit, who will provide such services on a continual planned basis. Supportive services which are provided within the unit may include the following types of services: counseling; social services which promote physical activity; intellectual stimulation and/or social motivation; training or assistance with activities of daily living including housekeeping, dressing, personal hygiene and/or grooming; provision of basic first aid skills in case of emergencies; supervision of self administration of medications; diet and nutrition; and assurance that occupants obtain incidental medical care, as needed by facilitating the making of appointments at, and transportation to, medical facilities. Supportive services provided within the unit shall not include the provision of continual nursing, medical or psychiatric care.

(ii) The provision and quality of the planned program of supportive services, including the minimal qualifications, quantity and working hours of the Resident Assistant(s) living in the unit, or other

person(s) providing continual supportive services, shall be initially determined by the Service Agency in accordance with the standards established by the State. Compliance with these standards by the Service Agency shall be regularly monitored throughout the term of the Contract by VHDA/Administrative Agent and the State (e.g., Department of Human Resources, Mental Health/ Mental Retardation, Social Services, etc.,), or a local authority (other than the Service Agency providing services) designated by the State to establish, maintain and enforce such standards.

(iii) A written Service Agreement(s), approved by the State and in effect between the Owner and the Service Agency and/or the entities which provide the necessary supportive service, shall be submitted to VHDA/Administrative Agent with the Request for Tenancy Approval. The Lease between the eligible individual and the Owner shall set forth the Owner's obligation for and means of providing these services. If the lessor provides the supportive services, a Service Agreement is not required and the provision of these services shall be incorporated into the Lease and shall be approved by the State. The form, 8-673-1, has been approved for use in IGR units.

7) Independent Group Residences shall be licensed, certified or otherwise approved in writing by the State (e.g., Department of Human Resources, Mental Health/Mental Retardation, Social Services, etc.), prior to the execution of the initial Contract. This approval shall be reexamined periodically based on a schedule established by the State.

To ensure that facilities and the supportive services are appropriate to the needs of the occupants, the State shall also approve the written Service Agreement(s) or Lease (if the provider of services is the lessor) for each Independent Group Residence.

B. Administrative Agent Determination. The Administrative Agent must determine that all required standards are met. State approval for supportive services is initially obtained by the VHDA/Administrative Agent. The Administrative Agent must ensure that the IGR continues to be licensed, certified or otherwise approved in writing by the State.

2. Manufactured home. A manufactured home is defined as a structure, with or without a permanent foundation, which is built on a permanent chassis, is designed for use as a principle place of residence, and meets the HQS standards.

   A. Summary of Standards.

      A manufactured home, whether Owner or renter occupied, shall comply with the foregoing standards (except IGR guidelines). In addition, a manufactured home unit shall:

      1) Meet the definition of a manufactured home;

      2) Be equipped with at least one smoke detector in working condition;

      3) Must be placed on the site in a stable manner and be free from hazards such as sliding or wind damage;

      4) Must be securely anchored by a tie-down device that distributes and transforms the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding.

   B. Administrative Agent Determination. The Administrative Agent must determine that all required standards are met.

3. Single Room Occupancy (SRO). A SRO is defined as a unit which contains no sanitary facilities or food preparation facilities, or which contains one but not both types of facilities, and which is suitable for occupancy by a single eligible individual capable of independent living.

   A. Summary of Standards.

      1) Each SRO shall be occupied by no more than 1person.

      2) Exterior doors and windows accessible from outside the SRO unit must be lockable.

      3) Sanitary facilities, space, and security shall meet local code standards for single room occupancy housing. In the absence of applicable local code standards, the requirements of habitable rooms used for living and sleeping purposes contained in the American Public Health Association's Recommended Housing Maintenance and Occupancy Ordinance shall be used.

      4) All criteria listed in this chapter apply except Policy 712, 714, and 716, IGR requirements and manufactured home requirements.

CHAPTER: INSPECTIONS

750: INSPECTION FORMS

EFFECTIVE DATE: September 1996

The Inspection Checklist (HUD-52580--abbreviated 6 page version), must be used in completing inspections of all units (Project-Based Certificate, Housing Choice Voucher and Moderate Rehabilitation). The Inspection Checklist may be located at: www.hudclips.org/sub_nonhud/html/pdfforms/52580.pdf.

The Inspection Form (HUD-52580A--long 20 page version), provides more detail and is a resource tool for each office. VHDA does not supply this form as the inspection document. VHDA will provide each Administrative Agent staff member with a copy for referral. Extra copies are available upon request.

The Housing Inspection Manual will be used as the guide for completing inspections on all units. The Housing Inspection Manual provides the detail needed to interpret Chapter 700. Policies 712 - 736 are the federal regulations associated with HQS--the policies do not cover the specifics for each performance/acceptability criteria. Chapter 700 provides only limited information with details being covered in the Housing Inspection Manual. Extra copies of the Housing Inspection Manual are available upon request.

Independent Group Residents (IGRs) require the completion of HUD-52580.

CHAPTER: INSPECTIONS

755: CONDUCTING INITIAL INSPECTIONS

EFFECTIVE DATE: September 1996

The Administrative Agent is required to conduct a unit inspection before lease approval and execution of a Housing Assistance Payments Contract to ensure compliance with the HQS. These inspections should occur as soon as possible after the Request for Tenancy Approval is submitted. **Marginal units (those that are likely to fall below the HQS within the year) must not be approved**. All required repairs must be completed prior to executing the Housing Assistance Payments Contract.

The Administrative Agent will also note on the Inspection Form (in the comment section), deficiencies, if any, not covered by the Inspection Form in order to protect VHDA and the family.

Additionally, the family must be informed that, according to State law, within 5 days after they move into the unit, they must inspect the unit and notify the owner of any deficiencies, giving a copy to the Administrative Agent if the owner does not do it first. A copy of the family's notice to the owner should be placed in the family's folder. If no notice is made to the owner, the unit will be considered in good repair and any damage noted when the unit is vacated will be the responsibility of the family.

SAMPLE LETTER - INITIAL HQS INSPECTION RESULTS NOTICE (PASSED)

Date:

Dear Landlord:

Re: Insert Family Name
Complete Unit Address

Congratulations! The above referenced unit met the Housing Quality Standards on (insert inspection date). In order that Housing Assistance Payments may begin, our office must received a signed copy of the lease that has an effective date (that is agreeable to you and the family) not prior to (insert date unit met HQS) with in 5 business days from the date of this letter. Upon receipt, a Housing Assistance Payments (HAP) Contract will be forwarded to you for signature and return. Please note that the HAP Contract must be executed within 60 calendar days from the effective date of the HAP Contract in order for payments to be made retroactive to that date.

If you have any questions regarding this matter, please contact (insert contact person's name) at (insert telephone number).

Sincerely,

Administrative Agent
Housing Choice Voucher Program

cc: Family

SAMPLE LETTER - INITIAL HQS INSPECTION RESULTS NOTICE (FAILED)

Date:

Dear Landlord:

Re: Insert Family Name
Complete Unit Address

The above referenced unit failed to meet the Housing Quality Standards on (insert inspection date). Attached are the discrepancies that must be completed before any housing assistance payments may be approved. It is required that you contact our office at (insert telephone number) no later than _____ to schedule a reinspection of the unit in order that we may confirm the unit is in compliance.

Failure to respond to this notice will result in the family needing to locate other suitable housing that can meet Housing Quality Standards.

If you have any questions regarding this matter, please contact (insert contact person's name) at (insert telephone number).

Sincerely,

Administrative Agent
Housing Choice Voucher Program

Attachment(s)

cc: Family

760: CONDUCTING ANNUAL INSPECTIONS

EFFECTIVE DATE: January 2002

At least 60 days (but no more than 120 days) prior to the anniversary date of the HAP Contract, the Administrative Agent must inspect the dwelling unit and complete the Inspection Form (HUD 52580) to determine if the Owner is maintaining the unit in decent, safe, and sanitary condition in accordance with the HAP contract.

Annual HQS inspections should be conducted within 12 months of the last annual HQS inspection.

EXAMPLE 1.	If the initial HQS inspection was conducted 7/1/01, the annual HQS inspection must be conducted no later than 6/30/02.
EXAMPLE 2.	If the unit failed the annual HQS inspection conducted on 6/30/02, the next annual HQS inspection must be conducted no later than 6/29/03.

The Owner must be notified of all problems that must be corrected. A unit cannot be assisted if repairs are not corrected within the specified time frame.

SAMPLE LETTER - ANNUAL HQS INSPECTION APPOINTMENT NOTICE

Date:

Dear Family:

HUD regulations require that each unit under the Housing Choice Voucher Program be inspected within 12 months of the last annual or initial Housing Quality Standards inspection. Please contact our office no later than _____ to schedule your annual inspection.

Failure to respond to this notice will result in your participation in the Housing Choice Voucher Program terminating effective (insert the last day of the month following the month for which the letter is dated).

If you have any questions regarding this matter, please contact (insert contact person's name) at (insert telephone number).

Sincerely,

Administrative Agent
Housing Choice Voucher Program

cc: Owner

OR

HUD regulations require that each unit under the Housing Choice Voucher Program be inspected within 12 months of the last annual or initial Housing Quality Standards inspection. Your annual inspection is scheduled for (insert date) at (insert time). Due to circumstances out of our control (such as weather or traffic conditions), the inspector may arrive up to 2 hours late.

If you are unable to keep this appointment, please contact our office within 5 business days from the date of the notice at the number listed below to reschedule. Failure to respond to this notice will result in your participation in the Housing Choice Voucher Program terminating effective (insert the last day of the month following the month for which the letter is dated).

If you have any questions regarding this matter, please contact (insert contact person's name) at (insert telephone number).

Sincerely,

Administrative Agent
Housing Choice Voucher Program

cc: Owner

765: CONDUCTING INTERIM INSPECTIONS

EFFECTIVE DATE: September 1996

It is the responsibility of the Administrative Agent to reinspect dwelling units as requested by the owner or family or as the need indicates within a reasonable time.

If it is found that the unit is not being maintained by the owner as required by the Program, immediate action must be taken by the Administrative Agent to correct the problem.

If the problem is the fault of the family, they should be requested to correct the deficiency. If the family does not correct the deficiency after a reasonable correction period, the HAP contract and the family's participation in the program may be terminated. Alternatively, the owner may complete the repairs and charge the cost back to the family if the lease permits him to do so.

The HUD-52580 is used for special inspections.

766: QUALITY CONTROL INSPECTIONS

EFFECTIVE DATE: January 2002

Quality Control inspections will be performed by an Administrative Agent supervisor (or other designated/qualified staff person that did not conduct the housing quality standards (HQS) inspection) on the number of randomly selected files required by SEMAP. The purpose of the quality control inspections is to determine whether or not each inspector is conducting accurate and complete HQS inspections, and to ensure that there is consistency with application of HQS.

Following is the letter that should be forwarded to an owner after a quality control inspection has been conducted:

Date

Inside Address

Re:

Dear

On (Date), we conducted an inspection of referenced property in order to insure that only those dwelling units that meet the Housing Quality Standards mandated by the U.S. Department of Housing & Urban Development are approved for Section 8 rental assistance. The above referenced dwelling unit was randomly selected for inspection. Results from the quality control inspection fall into three categories as follows:

- **Pass** - No deficiencies noted
- **Pass with comment** - Notes conditions not serious enough to fail the unit but which could affect rent levels that may be approved for the dwelling unit
- **Inconclusive** - A pass or fail determination could not be made and will require further review prior to a final determination
- **Fail** - Notes conditions which must be repaired within the indicated time frame to avoid interruption in subsidy payments

The inspection findings are enclosed. Any items noted as “fail” or “inconclusive” must be repaired within 30 days of your receipt of this notification unless otherwise indicated. Failure to make repairs within the applicable time period will result in the suspension or termination of Section 8 subsidy payments. Please advise us of completion of repairs at (Phone Number) so that a reinspection may be scheduled.

This inspection has been performed to determine compliance under the HUD/VHDA Section 8 Program. While some of the inspection requirements may be similar or identical to provision of local codes, this inspection does not certify compliance with said codes. In all instances, it is the owner’s responsibility to maintain property to meet all applicable state and local codes and a tenant’s right to request an inspection by the local Code Enforcement Agency. Thank you for your participation in the Section 8 Rental Assistance Program. Please contact me at (Phone Number) if you have any questions concerning this inspection.

Sincerely,

cc: File

Inspection Summary

Date of Inspection:
Tenant Name:
Tenant ID Number:
Inspector:
Type of Inspection:
Address of Unit:
Summary Decision:

Item No. Reason for "Fail" Rating or Comments (if applicable)

770: NOTIFYING THE OWNER OF HQS VIOLATIONS

EFFECTIVE DATE: September 1996

If an inspection reveals that the unit is not being maintained as required by the Program, a letter must be sent to the owner describing the seriousness of the offense, requesting that the necessary repairs be made and specifying the length of time the owner has to correct the problem.

If the violation imposes immediate danger to the health and safety of the family, the Administrative Agent must send a letter to the owner requiring that the owner correct the problem(s) within 24 hours and informing the owner that Housing Assistance Payments may be abated until the violations are corrected. If the required repairs are not made within the 24-hour period, another letter must be sent to the owner stating that the unit has been reinspected and the required repairs have not been made. The Administrative Agent must contact VHDA to determine what course of action to take. If it is evident that the owner is not willing to make the repairs, VHDA will send a letter to the owner (with a copy to the Administrative Agent and family) stating that the Housing Assistance Payments Contract will be terminated as soon as the family can be relocated. Housing Assistance Payments will be abated until the family is relocated.

If the violation of HQS is such that the health and safety of the occupants could be affected, the owner should be given 30 days or less (depending on the severity of the deficiency) to correct the problem, with an abatement of Housing Assistance Payments until the deficiencies are corrected. If the repairs are not made within the required time period, VHDA must be contacted. If it is evident that the owner is not willing to make the repairs, VHDA will send a letter to the owner with a copy to the Administrative Agent and family giving notice that the Housing Assistance Payments Contract will be terminated as soon as the family can be relocated.

If deficiencies of a moderate nature (those that do not violate the HQS) are found, the owner must be sent a letter giving 30 days or less, which may be extended, to correct the deficiencies. If corrections are not made, VHDA must be contacted, and it will be determined whether or not the Housing Assistance Payments check will be withheld (with retroactive payment), abated, or the Housing Assistance Payments Contract terminated. The seriousness of the violation would determine the course of action to be taken.

All determinations to withhold or abate Housing Assistance Payments or to terminate Housing Assistance Payments Contracts must be made by VHDA with input from the Administrative Agent. Copies of all correspondence with LCNs listed on each piece of correspondence relating to the owner not maintaining the unit(s) properly must be forwarded to VHDA if the owner did not comply with the request.

The Administrative Agent must reinspect the unit to determine if the necessary work has been performed.

If an annual or special inspection reveals that a unit is no longer in a decent, safe, and sanitary condition according to the applicable Housing Quality Standards criteria because of the family's lack of maintenance, the owner is still responsible for taking appropriate action to correct deficiencies (if the family does not correct the problem), including possible eviction of the family. In addition to notifying the owner in writing of the deficiencies and required corrective action (giving both the owner and family sufficient notice to allow ample time to correct the problem, or have the family move), as applicable, the Administrative Agent should also advise the family of its responsibilities with respect to any lease requirements and also point out the possible consequences of non-compliance with family obligations of the program (refer to Policy 792). If the owner is not successful in getting compliance from the family and does take appropriate steps to evict the family, the Administrative Agent shall not abate payment or terminate the Contract. VHDA will continue to pay Housing Assistance Payments when an owner is in the process of evicting a family for a lease violation due to HQS.

The Administrative Agent may terminate a family for HQS issues caused by the family in accordance with Policy 792.

Any owner whose units are continuously not maintained as required by the Program will be barred from future program participation. Any such decision must be approved by VHDA.

775: ABATEMENT OF HAP PAYMENTS DUE TO HQS VIOLATIONS

EFFECTIVE DATE: September 1996

HAP payments are to be abated (withheld without retroactive payment) during the period of time the unit is not in compliance with the HQS. VHDA must make such a decision based on input from the Administration Agent. If VHDA elects to abate as authorized by the HAP contract, the owner will be given 30-calendar days advance written notification of the abatement. The Administrative Agent must also promptly notify the Family of this action and should also advise them that they are required to make their rental payments to the Owner unless they follow any such legal procedures for abating or withholding of rent that may be prescribed under State or local law.

The abatement of housing assistance payments may continue until:

(1) The Owner corrects the deficiencies, in which case the housing assistance payments may be resumed as of that date; or

(2) Termination of the HAP Contract.

<u>The Administrative Agent must not allow HAPs to be paid until the Owner has corrected the deficiencies</u>. No retroactive payments may be made for the period the unit was not in decent, safe, and sanitary condition. If and when the deficiencies are corrected, however, a <u>pro-rata</u> housing assistance payment may be provided to the Owner effective from the actual date in the month that the required work was completed.

780: FOLLOW-UPS ON OWNER REPAIRS

EFFECTIVE DATE: January 2002

It is imperative that the time period established for correction of HQS violations be monitored. An inspection must be conducted by the Administrative Agent (and documented accordingly on the Inspection Form) to verify whether or not cited deficiencies have been corrected as requested. If the repairs are not made, the Administrative Agent can extend the time period allowed with adequate justification.

If repairs are still not made as required, the HAP payments must be abated (with retroactive payments based on date of completion) or the HAP Contract terminated. Such courses of action must be performed by the Administrative Agent.

CHAPTER: INSPECTIONS

785: CONDUCTING MOVE-OUT INSPECTIONS: MODERATE REHABILITATIN/PROJECT BASED CERTIFICATES

EFFECTIVE DATE: December 1997

It is the responsibility of the Administrative Agent to inspect all Moderate Rehabilitation and Project-Based Certificate units within 5 days after the Family moves out, the Lease/HAP Contract terminates, or the Administrative Agent receives notice of the Family's move, whichever is earlier. The Inspection Form (HUD 52580) and any attachments must be utilized for this purpose. The move-out inspection documents the condition of the unit for future denial/termination of assistance or potential owner damage claims.

Owners may decide to waive this requirement by signing the sample--Move-Out Inspection Waiver. By so doing, no damage claim can be processed on the unit involved.

CHAPTER: INSPECTIONS

786: CONDUCTING MOVE-OUT INSPECTIONS: HOUSING CHOICE VOUCHER PROGRAM

EFFECTIVE DATE: June 2002

Administrative Agents should only conduct move-out inspections when requested by an Owner if requested within a specific number of days after the family vacated (i.e., 10 calendar days) to document how the family left the unit (if possible, take photos during the exit inspection).

- This information could be used to provide to another prospective landlord (if the family's Housing Choice Voucher has been reissued) as a part of their tenant screening process to help determine the family's suitability as a tenant.

- If the Administrative Agent determines the family has damaged the unit beyond normal wear and tear that ***also*** caused the unit to fail the housing quality standards, the Agent may take action to terminate the family's assistance. This would be considered as a violation of a family program obligation (breach of HQS). Refer to Policy 1010 (Denial Or Termination For A Family).

CHAPTER: INSPECTIONS

791: TERMINATION OF HAP CONTRACT DUE TO HQS: MODERATE REHABILITATIN/PROJECT BASED CERTIFICATES

EFFECTIVE DATE: September 1996

Notifying the owner of HQS violations, abatement, and termination must be coordinated with VHDA. A specific unit (or the entire property) may be subject to abatement and/or termination.

If a family is required to move from a Moderate Rehabilitation or Project-Based Certificate unit because of the owner's failure to correct deficiencies, resulting in termination of one or more of the units covered by the HAP contract, the family's assistance may be continued by converting the Moderate Rehabilitation subsidy to tenant-based subsidy. Such action must be done by VHDA staff.

792: HQS FAMILY OBLIGATIONS

EFFECTIVE DATE: September 1996

The family is responsible for a breach of the Housing Quality Standards that is caused by any of the following:

a) The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid for by the tenant;

b) The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or

c) Any member of the household or guest damages the dwelling unit or premises (beyond ordinary wear and tear).

If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any approved extension).

If the family has caused a breach of the HQS, the Administrative Agent must take prompt and vigorous action to enforce the family obligations. The Administrative Agent may terminate assistance for the family in accordance with Policy 1010.

CHAPTER: INSPECTIONS

795: INSPECTION CHARGES

EFFECTIVE DATE: September 1996

The Administrative Agent may not charge the family or owner for initial inspections, reinspections of the unit or interim inspections.

CHAPTER 800: ANNUAL RECERTIFICATIONS

CHAPTER: ANNUAL RECERTIFICATIONS

801: ANNUAL RECERTIFICATION NOTIFICATION PROCESS

EFFECTIVE DATE: June 2002

All individuals or Families must be recertified annually. The Administrative Agent must reexamine **all** Family circumstances as a part of the process (e.g., disability status, income, assets, medical expenses, deductions, allowances etc., all circumstances verified at initial or last interim/annual recertification). As early as 120 days prior to the recertification effective date of the Family, the Sample Letters - Notice of Recertification must be sent to the Family. A meeting will be arranged with the Family to have them complete a HUD-50058. The policies and procedures contained in Chapter 500 regarding obtaining/verifying information will be followed to complete the required recertification.

The annual recertification date is conducted during the 12th month after the HAP contract effective date.

Examples:

1. With a HAP contract **effective 1/1/02**, the **next** scheduled annual **recertification** will be **effective 1/1/03**.

2. With a HAP contract **effective 1/4/02**, the **next** scheduled annual **recertification** will be **effective 2/1/03**

Letters sent to Families concerning their recertifications must give sufficient notice to allow time for the recertification to be completed and to provide at least a 30 calendar days notice of payment changes. If a Family fails to cooperate with the recertification process (e.g., does not attend their scheduled meeting without canceling prior to the appointment date with just cause, fails to sign required documents and/or fails to provide the necessary information etc.,) the Family will be sent a second letter (with a copy to the Owner) informing them that HAP payments will not continue and termination of subsidy/HAP Contract and their Voucher will occur. The Sample Letter, Notice of Termination of Assistance must be sent mailed (or hand-delivered) with an affidavit (refer to sample affidavit form in Policy 1002. The notice must be sent at least 30 calendar days prior to termination of assistance/HAP contract. A Family whose participation is terminated must reapply to the Program to participate again. The Family is not reinstated at a later date, nor is assistance temporarily postponed, as they must reapply and be served in Waiting List order.

In situations where verifications are not being received by the Administrative Agent, and it is not possible to use an alternative form of verification, it becomes the Family's responsibility to contact the verification source and secure the verification (this does not imply that the Family is to hand-carry verifications -- just follow-up with

the various sources to ensure timely return to the Agent). A letter will be written to the Family stating that if the required information is not received by a certain date, the Family will have to assume the responsibility for obtaining it, and if not received by a certain deadline, their assistance will terminate as well as their Housing Choice Voucher. The letter provides the Family with informal hearing rights, and gives 30-calendar days notice to the Owner regarding the potential termination of the assistance/HAP Contract. If termination occurs, then the Family must reapply to the Program to participate again. The Family is not reinstated at later date, nor is assistance temporarily postponed, as they must reapply and be served in Waiting List order.

If it is determined that the Administrative Agent is the cause for the delay in recertifying the Family within the scheduled timeframe, VHDA can process a late recertification, postponing any changes until the Family circumstances are reverified.

Tenant Rent Increases

If the tenant rent increases, a 30 calendar day notice is mailed to the family before the scheduled effective date of the annual recertification.

If less than 30 calendar days are remaining before the scheduled effective date of the annual recertification, the tenant rent will be effective on the 1st of the month following the 30 calendar days notice.

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

Tenant Rent Decreases

If the tenant rent decreases, it will be effective on the scheduled annual recertification date.

If the Family causes a delay so that the processing of the annual recertification is not complete by the scheduled effective date, any rent change will be effective on the 1st day of the month following completion of the annual recertification processing by the Administrative Agent.

Administrative Agent Errors

If the Administrative Agent makes a calculation error at admission to the program or at an annual recertification, an interim recertification 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.

During the time the Family's Tenant Rent has not been reverified/recalculated, the Family will continue to pay the Owner the old Tenant Rent portion, and VHDA will continue to pay the old HAP to the Owner. The Agent may ultimately be held liable for these HAP payments if VHDA determines that the Agent has failed to complete the annual recertification process in a timely manner. In such cases, after providing notice to the Administrative Agent of the documented problem, the Administrative Agent will be charged with the difference in payments owed all parties (i.e., the HAP difference, Tenant Rent increase, Utility Reimbursement, and the month(s) VHDA pays an Owner HAP because the Administrative Agent did not provide proper notice for the time period in question, etc.) and incur administrative fee penalties. It is hoped that Administrative Agents can correct this problem before VHDA considers imposing monetary sanctions.

In the event an Administrative Agent develops procedures or forms/letters different from those discussed in Policy 801, written VHDA approval must be on file authorizing the deviations from Policy 801.

Each month the Administrative Agent receives from VHDA a computerized printout that identifies by Leasing Control Number, the date of the last payment for a case. This printout - "Termination Report" - will be used to schedule annual recertifications since it is generated 120 days in advance of the termination of payments.

Keep the following points in mind regarding annual recertifications:

1. The family information (i.e., updated HUD-50058, income verifications, use of correct voucher payment standard and use of the correct utility allowance schedule) must be implemented as of the scheduled anniversary date, even if other annual activities (like the rent comparability test and annual HQS inspection) have not been completed.

2. Applicants and participants must sign and submit a HUD-9886 each time the Administrative Agent evaluates their eligibility for housing assistance (at initial certification, interim certification or **regularly scheduled annual recertification**).

3. Complete the Sample Letter - Verification of Elevated Blood-Lead Level (8-517-4) to comply with the requirement to do an annual match with the local health agencies on the affected households.

4. At annual or interim recertification income verifications are valid for a period of 120 days from the date of the source's signature.

5. A 30-calendar day notice is required to implement an increase in the family's portion.

6. Disability status must be verified annually. If the Family member no longer meets the disability definition they may remain on the program and receive assistance; but, the household would no longer qualify for disabled deductions on behalf of that household member.

SAMPLE LETTER

NOTICE OF RECERTIFICATION

RE: Annual Recertification

Dear Family:

This letter serves as official notice that annual recertification of your Family's composition/income/assets/expenses now due. This recertification is required by Federal regulation, conditions of the Housing Choice Voucher Program and provisions of the Lease Agreement/HUD Addendum. This recertification is performed in order to determine the correct amount of rent you are to pay, and if you require a different bedroom size unit.

You are asked to come by our office on (within ten calendar days) to sign the necessary verification forms to process your annual recertification, and to discuss your intention to move or remain at your present unit. If you plan to move from your present unit, you must notify your Owner **in writing** in accordance with your Lease Agreement, and provide a copy of the notice to our office.

Failure to respond to this notice will be considered a violation of Program requirements. Accordingly, your rental assistance will be terminated effective (insert date); and you will be responsible for paying the full Contract Rent to the Owner effective insert date if you elect to remain in the unit.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

cc: Owner
File

SAMPLE LETTER FOR MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATE PROGRAMS

NOTICE OF RECERTIFICATION

RE: Annual Recertification

Dear Family:

This letter serves as official notice that annual recertification of your Family's composition/income/assets/expenses is now due. This recertification/inspection is required by Federal regulation, conditions of the Statement of Family Responsibility and provisions of the Lease Agreement. This recertification is performed in order to determine the correct amount of rent you are to pay, and if you require a different bedroom size unit.

You are asked to come by our office on (within ten calendar days) to sign the necessary verification forms to process your annual recertification, and to discuss your intention to move or remain at your present unit. If you plan to move from your present unit, you must notify your Owner **in writing** in accordance with your Lease Agreement, and provide a copy of the notice to our office.

Failure to respond to this notice will be considered a violation of Program requirements and the Statement of Family Responsibility. Accordingly, your rental assistance will be terminated effective (insert date) and your rent will be increased to the full Contract Rent of _____ effective (insert date) if you remain in your current unit.

Sincerely,

_____
Administrative Agent
Moderate Rehabilitation/
Project-Based Certificate Programs

cc: Owner
File

SAMPLE LETTER

NOTICE OF TERMINATION OF ASSISTANCE DUE TO FAILURE TO BE RECERTIFIED

Date

Dear Family:

On (insert date) you were sent a letter scheduling an appointment to begin your annual recertification process. Your appointment was on (insert date) and you did not attend nor did you call prior to the scheduled date to reschedule. For this reason, your assistance will terminate effective (insert date). You will be responsible for paying the entire amount of rent due the Owner effective (insert date). You must reapply to the Program to receive future assistance with your rent.

You have 10 calendar days from the date of this letter or no later than (insert date) to request IN WRITING an informal hearing regarding this determination from the Administrative Agent listed below. Enclosed are the Informal Hearing Procedures for Participants.

Please be advised that if you do not request an informal hearing IN WRITING by (insert date) you lose your right to request or have an informal hearing, your participation will be terminated as stated above.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

cc: Owner
File

Enclosure

*This letter may need to be altered to fit the reason for termination.

802: ANNUAL RECERTIFICATION AND THE EFFECTS OF AN INTERIM REPORTING REQUEST

EFFECTIVE DATE: June 1997

Families that report/request as required ***during the last 120 days*** **before their scheduled annual recertification**, create difficulties related to completing the annual recertification. Below are some general guidelines that VHDA expects to be followed; specific cases may need special handling that the Administrative Agent will need to address.

a. Families may report a change in income or expenses or other circumstances that would result in a reduction to the amount they pay to the Owner. This type of change will be processed the first of the month following the month in which the Administrative Agent received written notice of the change (when the family reports the change in writing--not when the written verification is received). In this case, a reduction would not wait until the annual recertification date; process the interim the first of the month following the month the Administrative Agent received written notice of the change.

Example:

Annual recert date: July 1

Case due at VHDA: June 1

Administrative Agent completed all recert paperwork by May 1

Family reports a decrease on May 10

Administrative Agent implements the decrease as an interim effective June 1

Annual recertification effective July 1 will be redone to reflect the decrease

b. If the Administrative Agent has already completed the paperwork for the annual recertification, then an increase in income would be reflected at the next recertification -- **do not do an interim**. Unfortunately, some participants have unstable income situations and after you have verified their income for the annual recertification, they report another increase in the 120-day recertification window. Keep in mind that VHDA is not interested in having the Administrative Agent redo paperwork to "catch" these increases that occur in the 120-day window. The HUD requirement is to complete an annual review of the case and that has been accomplished. In these cases do not redo the annual recertification; permit the family to benefit from the improved financial situation.

Example:

Annual recert date: July 1

Case due at VHDA: June 1

Administrative Agent completed all recert paperwork by May 1

Family reports an increase in income on May 10

Administrative Agent does not redo the annual recertification to reflect the increase

c. Changes in family composition may cause the income to increase or decrease based on the new family composition. **Family composition changes require an interim that recomputes sources of income available to all members of the household and to change the household composition**.

If a change in family composition occurs in the 120-day window and you have not completed the paperwork and the **family's contribution will increase**, then roll all the family composition changes and income changes in with the annual recertification. Remember: A 30-calendar days notice is required to increase a family's portion.

If the paperwork is already completed for the annual recertification and the **family's contribution will increase**, then make the composition/income changes effective the first of the month after the annual recertification date (example below). Remember: A 30-calendar days notice is required to increase a family's portion.

If the family composition causes a **decrease in the family contribution**, an interim will be required to reduce the family's contribution to the rent prior to the annual recertification; the annual recertification would need to be redone.

Example:

Annual recert date: July 1

Case due at VHDA: June 1

Administrative Agent completed all recert paperwork by May 1

Family reports on May 10 a family composition change that will cause the family contribution to increase

Administrative Agent does not redo the annual recertification, but will complete an interim effective August 1

d. A zero income family requires the increase in income to be processed as an interim in accordance with Policy 914.

803: REMAINING MEMBER OF ASSISTED TENANT FAMILY

EFFECTIVE DATE: June 1997

The original composition of a Family is subject to change during participation in the Program, as well as during, or at the end of a lease term. If a member of An assisted Family leaves the assisted unit (due to death, divorce or separation, etc.), and this results in a member which would not have originally been determined eligible based on the definition of "Family," then, the member who is remaining in the assisted unit (or will remain as a Family) will be classified as Remaining Member of a Tenant Family. The member who leaves the assisted unit or Family must reapply to the Program and be determined eligible on their own merit before they may receive a Housing Choice Voucher.

The Administrative Agent has discretion to determine which members of an assisted family continue to receive assistance in the Program if the family breaks up.

The factors to be considered in making this decision include, but are not limited to:

- Whether the assistance should remain with family members remaining in the original assisted unit.
- The interest of minor children or of ill, elderly, or disabled family members.
- Whether family members are forced to leave the unit as a result of actual or threatened physical violence against family members by a spouse or other member of the household.
- If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the Administrative Agent is bound by the court’s determination of which family members continue to receive assistance in the Program.

In cases where the Family members are not clear as to who will remain or leave the assisted family, the Administrative Agent must require the members to decide by a specified deadline. The Administrative Agent should not attempt to resolve who rightfully should receive the Housing Choice Voucher as that is the Family's responsibility. A decision must be made by the Family as to who will be the remaining members, since only one Housing Choice Voucher will be issued. If a decision is not reached by the specified deadline, then eligibility/assistance cannot proceed or continue (i.e., terminate a Housing Choice Voucher, terminate HAP/Lease, etc.).

In cases where a head of household and/or guardian leaves dependent(s) who may not be capable of remaining in the unit as the head of household (e.g., individuals

under 18 years of age), then a decision must be made as to who will assume the head of household status. As long as it is acceptable to the Owner, and other individuals do not cause the original remaining individuals to become ineligible, then VHDA would consider adding individuals to the household composition to care for the dependents. There have been instances where Owners have permitted individuals under 18 years of age to assume the head of household status, and this is acceptable to VHDA.

Members who were considered essential to the care of an elderly household (elderly and persons with disabilities) do not qualify as a Remaining Member of an assisted tenant family.

Documentation of the Remaining Member of an assisted tenant family status must be in the file maintained by the Administrative Agent as well as being included in the case submitted to VHDA. A sample statement must be in the family file as verification of the remaining member.

REMAINING MEMBER OF A TENANT FAMILY CERTIFICATION

Family Name: _____
Present Leasing Control Number: _____

The above Family member meets the requirements of a Remaining Member of a Tenant Family based on previous participation in the Housing Choice Voucher Program under Leasing Control Number:_____ Initial Lease Term:_____.

_____
Signature of Administrative Agent

_____
Date

804: TERMINATING HOUSING CHOICE VOUCHER PROGRAM HAP CONTRACT WHEN THE UNIT IS TOO BIG OR TOO SMALL

EFFECTIVE DATE: January 2002

Violation of HQS space standards

Unit Too Small

If the Administrative Agent determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the Administrative Agent must issue the family a new Housing Choice Voucher, and the family must try to find an acceptable unit as soon as possible.

If an acceptable unit is available for rental by the family, the Administrative Agent must terminate the HAP contract for the current unit in accordance with its terms.

Unit Too Large

If the Administrative Agent determines that a unit is too large (based on the family's current family size or composition), the family has two options:

1. Remain in the unit and be assisted using the voucher payment standard that the family is eligible for, and pay the increased tenant rent (NOTE: Must use the utility allowance schedule based on the unit's actual type and bedroom size); or

2. Be reissued a Housing Choice Voucher to locate an appropriate bedroom size unit.

806: DETERMINING OVERCROWDED/UNDER OCCUPIED CONDITIONS FOR MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATE UNITS

EFFECTIVE DATE: June 1997

At annual recertification, the Administrative Agent must determine whether a Family is overcrowded/under occupied in their Moderate Rehabilitation/Project-Based Certificate unit. If the Administrative Agent determines that a unit is not decent, safe and sanitary by reason of increase in Family size, or that a unit is larger than appropriate for the size of the Family in occupancy, HAP payments with respect to the unit will not be abated; however, the Owner must offer the Family a suitable alternative unit should one be available and the Family will be required to move into the new unit at a mutually agreed upon date. If the Owner does not have a suitable available unit, the Administrative Agent must assist the Family in locating other standard housing in the locality within the Family's ability to pay and require the Family to move to such a unit as soon as possible. In no case will a Family be forced to move nor will HAP payments under the Contract be terminated unless the Family refuses (without good reason) the offer of a unit that the Administrative Agent judges to be acceptable.

In the Moderate Rehabilitation/Project-Based Certificate Program there is some degree of control when a Family is too large/small for the unit. If an individual Owner has more Moderate Rehabilitation/Project-Based Certificate units of appropriate size in a locality, then a Family may have to relocate. If there are other Owners in that locality with appropriately sized Moderate Rehabilitation/Project-Based Certificate units, the Family may have to relocate. If a suitable Moderate Rehabilitation/Project-Based Certificate unit does not exist, the Administrative Agent will provide the Family with a Housing Choice Voucher (placed at the top of the Waiting List and over issue if VHDA has sufficient funds) in which to look for suitable housing. The Family will be required to look for alternative housing that is within the Family's ability to pay. In cases of a Family being too large/small for the Moderate Rehabilitation/Project-Based Certificate unit, the issue must be resolved with VHDA on a case-by-case basis.

807: DETERMINING PAYMENT STANDARDS FOR HOUSING CHOICE VOUCHERS

EFFECTIVE DATE: June 1997

The Administrative Agent changes the Voucher Payment Standard (VPS) on an existing Housing Assistance Payments Contract if:

A. **At regular reexamination**, a different VPS is applied **if** one of the following circumstances applies:

   1. If VHDA has increased the VPS Schedule for the Program applicable to the Family, the increased VPS is used; or
   2. If VHDA has adopted new occupancy standards, the VPS for the appropriate unit size under the new occupancy standard is used; or
   3. If the Family's size or composition has changed, the VPS for the appropriate unit size is used; or
   4. **If VHDA has decreased the VPS Schedule for the Program, the VPS is not reduced unless one of the above conditions (i.e., A1, A2 or A3) applies.**

B. When a Family **moves to another unit**, a different VPS must apply if one of the following circumstances applies:

   1. If VHDA has increased or decreased the VPS applicable to the Family, the new VPS is used;
   2. If VHDA has adopted new occupancy standards, the VPS for the appropriate size under the new occupancy standards is used; or
   3. If the Family's size or composition has changed, the VPS for the appropriate size is used.

808: DETERMINING AFFORDABILITY ADJUSTMENTS

EFFECTIVE DATE: October 2001

VHDA will set a Voucher Payment Standard (VPS) amount between 90% and 110% of the HUD published FMRs as required by the regulations. At least every 2 years VHDA will analyze the VPS amounts for each FMR area. The analysis will include a review of the percentage the family is paying as well as the contract authority available for the locality to balance both the family payment portion and the contract authority available for the term of the locality's project.

A. Increasing the VPS Amounts

VHDA, in its discretion, may adopt annual increases of VPS amounts so that families can continue to afford to lease units in accordance with the regulations.

B. Decreasing VPS Amounts

When revised FMRs are published, any FMR that is lower than the corresponding VPS on the VPS Schedule, will require VHDA to adopt a new VPS between 90% and 110% of the revised FMR.

809: ZERO HAP PAYMENTS FOR HOUSING CHOICE VOUCHER FAMILIES

EFFECTIVE DATE: June 2000

A Family's eligibility for HAP shall continue until the TTP equals the Gross Rent. The termination of eligibility at such point will not affect the Family's other rights under its Lease, nor will such termination preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances during the term of the Contract. However, eligibility also may be terminated in accordance with requirements for such reasons as failure to submit requested verification information.

A Family can remain in occupancy without assistance either with a new Lease from the Owner or continue the current Lease (with revised zero HAP payment portions).

Therefore, if a Family's TTP equals the Gross Rent at their scheduled annual recertification they are not terminated. The Family must be notified by sending Sample Letter - No Longer Eligible for HAP Payments to notify the Family. 180 days at $0 HAP must have passed before a termination occurs. During the 180 days, the family may receive a new housing choice voucher to lease a new unit requiring a HAP payment.

If there is no HAP payment for more than 180 days on behalf of a participating Family, the HAP must be terminated. The Sample Letter - No Longer Eligible for HAP Payments must be mailed to the Family and Owner giving them at least 30 calendar days notice that the HAP Contract will terminate.

HAP Payments must be restarted for Families whose units are still under HAP but for whom no subsidy is being paid if:

- The reason no subsidy is being paid is that the Family's TTP is sufficient to pay the full gross rent; and
- The Family's income is reduced (or the gross rent is increased) to the point that the Family's TTP does not cover the gross rent; and
- The Family reports the change and requests that assistance resume.

SAMPLE LETTER

NO LONGER ELIGIBLE FOR HAP PAYMENTS

Date

Dear Family:

We have completed a review your Family's income and composition of the Family and have found that your Family no longer is eligible to receive benefit of Housing Assistance Payments from the Housing Choice Voucher Program for the unit you presently occupy. Your Total Tenant Payment is equal to or more than the Gross Rent of the unit you occupy. According to HUD policy, this disqualifies you for further assistance payments. You may continue to live in your present unit but you will be responsible for all the rent and any tenant-paid utilities. If 180 days pass without VHDA making Housing Assistance Payments on your behalf, your participation in the Program will terminate effective (insert date). You may wish to use your Voucher to find another unit for which a Housing Assistance Payment would be made. If so, please inform our office by insert date .

You have 10 calendar days from the date of this letter to request IN WRITING an informal hearing regarding this determination from the Administrative Agent listed below. Enclosed are the Informal Hearing Procedures for Participants. Please be advised that if you do not request an informal hearing IN WRITING by (insert day) you lose your right to request or have an informal hearing.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program
cc: Owner
File

Enclosure

SAMPLE LETTER

TERMINATION OF HAP AND PROGRAM PARTICIPATION

Date

Dear Family:

VHDA has not made Housing Assistance Payments on behalf of your unit since _insert date_. As notified in the letter dated _insert date_ 180 days have passed since subsidy payments were made, therefore your assistance must be terminated effective _insert date_.

You have 10 calendar days from the date of this letter to request an informal hearing from this office IN WRITING regarding this determination made by our office. Enclosed are the Informal Hearing Procedures for Participants. Please be advised that if you do not request an informal hearing IN WRITING by (insert day), you lose your right to request or to have an informal hearing."

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

cc: Owner
File

Enclosure

810: ZERO HAP PAYMENTS FOR MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATE FAMILIES

EFFECTIVE DATE: June 1997

A Family's eligibility for HAP shall continue until the TTP equals the Gross Rent. The termination of eligibility at such point will not affect the Family's other rights under their Lease, nor will such termination preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances during the term of the Contract. However, eligibility may also be terminated in accordance with requirements for reasons such as, failure to submit requested verification information.

A year at zero HAP does not apply in the Moderate Rehabilitation or Project-Based Certificate Program. A Family can still remain in the Moderate Rehabilitation/Project-Based Certificate program unit, but the VHDA subsidy for the Family will not be in effect for the unit. The Family can remain in occupancy without assistance using the current VHDA Lease, but with revised payment portions.

HAP Payments <u>must</u> be restarted for Families whose units are under HAP but to whom no subsidy is being paid if:

- The reason no subsidy is being paid is that the Family's TTP is sufficient to pay the full gross rent; and
- The Family's income is reduced (or the gross rent is increased) to the point that the Family's TTP does not cover the gross rent; and
- The Family reports the change and requests that assistance resume.

The case is not terminated but rather carried as a $0 HAP. The Family and unit are treated as an active case (i.e., annual recertifications, unit inspections etc.,).

SAMPLE LETTER

NO LONGER ELIGIBLE FOR HAP PAYMENTS

Date

Dear Family:

We have completed a review of your Family's income and composition and have found that your Family no longer is eligible to receive the benefit of Housing Assistance Payments from the Section 8 Housing Assistance Payments Program for the unit you presently occupy. Your Total Tenant Payment is equal to or more than the Gross Rent of the unit you occupy which disqualifies you for further assistance payments. You may continue to live in your present unit but you will be responsible for all the rent and tenant-paid utilities, if applicable effective enter date .

You have 10 calendar days from the date of this letter to request IN WRITING an informal hearing. Enclosed are the Informal Hearing Procedures for Participants. Please be advised that if you do not request an informal hearing IN WRITING, you lose your right to request or have an informal hearing.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program
cc: Owner
File

Enclosure

814: DENIAL OF PARTICIPANT'S REQUEST TO MOVE

EFFECTIVE DATE: June 1997

This policy states the grounds on which an Administrative Agent may deny assistance for a participant because of the family's action or failure to act. The provisions of this section do not affect denial or termination of assistance for grounds other than action or failure to act by the family.

Termination of assistance for a participant may include any or all of the following:

- refusing to enter into a HAP contract or approve a lease; or
- terminating housing assistance payments under an outstanding HAP contract; or
- refusing to process or provide assistance under portability procedures.

This section does not limit or affect exercise of the Administrative Agent rights and remedies against the owner under the HAP contract, including termination, suspension or reduction of housing assistance payments, or termination of the HAP contract.

The Administrative Agent may at any time deny program assistance for a participant, for any of the following grounds if:

1. The family violates any family obligations under the program.

2. Any member of the family has ever been evicted from public housing.

3. An Administrative Agent has ever terminated assistance under the certificate voucher, or housing choice voucher programs for any member of the family.

4. Any member of the family commits drug-related criminal activity, violent criminal activity or engages in abuse of alcohol that interferes with the health or safety of the other residents or their right of peaceful enjoyment of the premises.

5. Any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

6. The family currently owes rent or other amounts to the Administrative Agent, another Administrative Agent or any other PHA in connection with Section 8 or public housing assistance under the 1937 Act.

7. The family has not reimbursed any Administrative Agent or another PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

8. The family breaches an agreement with the Administrative Agent to pay amounts owed to an Administrative Agent, or amounts paid to an owner by an Administrative Agent. (VHDA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a Housing Authority or amounts paid to an owner by a Housing Authority. VHDA will prescribe the terms of the agreement.)

9. A family participating in the FSS program fails to comply, without good cause, with the family's FSS Contract of Participation.

10. The family has engaged in or threatened abusive or violent behavior toward Administrative Agent personnel.

11. Any member of the family fails to sign and submit consent forms for obtaining information.

12. Any member of the family does not submit required evidence of citizenship or eligible immigration status.

13. VHDA does not have sufficient funding for continued assistance.

CHAPTER: ANNUAL RECERTIFICATIONS

815: FAMILY BREAKUP

EFFECTIVE DATE: June 1997

Refer to Policy 937.

816: FAMILIES WHO WISH TO MOVE WITH CONTINUED TENANT - BASED ASSISTANCE

EFFECTIVE DATE: June 1997

This policy states when a participating family may move to a new unit with continued tenant-based assistance. A family may move to a new unit if:

1. The assisted lease for the old unit has terminated. This includes a termination because:

    - The Administrative Agent has terminated the HAP contract for the owner's breach; or

    - The lease has terminated by mutual agreement of the owner and the tenant.

2. The owner has given the tenant 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 tenant.

3. The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner, for owner breach or otherwise).

4. A participating family may move one or more times with continued assistance under the program as set by the Housing Authority, either inside the Administrative Agent's jurisdiction, or under the portability procedures. **VHDA only permits one move by the family during any one-year period.** This applies to moves within VHDA's jurisdiction and to moves by a participant family outside the VHDA jurisdiction under portability procedures. If the family wants to move to a new unit, the family must notify the Administrative Agent and the owner before moving from the old unit. If the family wants to move to a new unit that is located outside the initial Administrative Agent's jurisdiction, the notice to the initial Administrative Agent's jurisdiction, must specify the area where the family wants to move.

817: MODERATE REHABILITATION OR PROJECT-BASED CERTIFICATE PARTICIPANT RELOCATES WITHIN THE SAME MULTIFAMILY STRUCTURE

EFFECTIVE DATE: June 1997

Families who reside in a multifamily structure that desire to relocate to another unit in the same structure, may make a request to the Owner/Managing Agent. All Moderate Rehabilitation units have specific LCNs tied to the specific unit address, therefore the first LCN must be terminated and a new LCN must be assigned. A new lease term will be required, and this may affect the annual recertification date for the Family. The creation of the new lease term may require updated verifications, if the verifications are over 120 days old.

818: TERMINATION OF ASSISTANCE DUE TO DELINQUENT PAYMENTS PER THE AGREEMENT TO REPAY

EFFECTIVE DATE: June 1997

A Family who has been offered an Agreement to Repay and refuses to sign the Agreement, but establishes a pattern of payments will be considered as in agreement with the unsigned Agreement.

VHDA reserves the right to terminate assistance for a Family that becomes delinquent in making payments on an account per the Agreement to Repay (8-1220-1).

820: REVIEWING PROPOSED CONTRACT RENTS FOR HOUSING CHOICE VOUCHERS

EFFECTIVE DATE: June 1997

It is the Administrative Agent's responsibility to review proposed contract rent increases for rent reasonableness determinations. The Housing Choice Voucher Program requires disapproval of the unit if the increase results in a Contract Rent that is not considered reasonable.

The form, Section 8 Voucher - Certification of Rent Reasonableness (8-V633-1), must be completed whenever an Owner requests a rent increase.

On the anniversary date of the Housing Choice Voucher Housing Assistance Payments Contract, should the Contract Rent remain unchanged, there is no need to complete a new rent reasonableness certification, provided the original comparables are still accurate and the Contract Rent is reasonable.

At the present time, VHDA determines the Contract Rent for Moderate Rehabilitation and Project-Based Certificate units, therefore the Administrative Agent does not need to determine rent reasonableness for these units.

823: APPLICATION OF THE ANNUAL ADJUSTMENT FACTOR (AAF)- MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATES

EFFECTIVE DATE: June 1997

In the Moderate Rehabilitation and Project-Based Certificate Programs, application of the AAF is completed by VHDA, and is effective on the anniversary date of the HAP contract. Contract Rents are subject to change on any given effective date, not necessarily coinciding with the annual recertification date of the Family.

824: RENT INCREASES AND RENT REASONABLENESS FOR HOUSING CHOICE VOUCHERS

EFFECTIVE DATE: June 1997

In the Housing Choice Voucher Program, there is no maximum rent imposed on Owners. The Owner may increase the Contract Rent whenever an increase is permitted under the terms of the lease. The Owner should give at least 60-calendar days written notice to the Family and the Administrative Agent before commencement of the increased Contract Rent. The Family has 15 calendar days to accept the new rate or request the Housing Choice Voucher be reissued for relocation purposes.

Please note the amount of the Contract Rent under the HAP contract/lease may not be increased during the first year of the term of the HAP contract/lease. In cases where the Owner increases the Contract Rent after the first year of the lease term, the HAP will not be adjusted until the family's annual reexamination. This causes the Family to cover the increase. A Family must decide whether they will pay the higher rent or request reissuance of a Housing Choice Voucher to locate new housing.

The form, Section 8 Voucher - Certification of Rent Reasonableness (8-V633-1), is completed at each subsequent rent increase implemented by the Owner. The rent must be reasonable and if not, then subsidy cannot be approved or continued.

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828: REQUESTING APPROVAL FROM HUD FOR A SPECIAL ADJUSTMENT - MODERATE REHABILITATION

EFFECTIVE DATE: June 1997

A Moderate Rehabilitation Owner may request rents higher than those allowed by the annual adjustment factor (AAF). A Special Adjustment (to the extent determined by HUD) reflects increases in the actual and necessary expenses of owning and maintaining the unit which has resulted from substantial general increases in real property taxes, utility rates, assessments, and utilities not covered by regulated rates. The requested rent may be recommended by VHDA for approval by HUD but only if and to the extent that the Owner clearly demonstrates that these general increases have caused increases in the Owner's operating costs, which are not adequately compensated for by the AAF. The Owner shall submit financial information to VHDA that clearly supports the increase requested. This information must be submitted to VHDA at least 90 calendar days prior to the effective anniversary date of the HAP contract. If the information is not submitted to VHDA, either in a timely manner or not at all, then the Owner will ***only*** receive the maximum rent allowed by the AAF, until HUD approves a higher rent and effective date for implementation.

830: REQUESTING APPROVAL FROM HUD FOR A SPECIAL ADJUSTMENT - MODERATE REHABILITATION

EFFECTIVE DATE: June 1997

If a Family's assistance cannot be approved because of the unit, the Owner, or other factors not related to the Family, the Family and the Owner must be so notified in writing. The Sample Letter - Determining Units Ineligible for Assistance, must be sent to the Family with a copy to the Owner at least 30 calendar days (or more depending on the Lease) prior to the termination of the HAP contract/lease.

SAMPLE LETTER

DETERMINING UNITS INELIGIBLE CONTINUED ASSISTANCE

Date_____

Dear Family:

The proposed Lease between you and (insert Owner's name) for the unit located at (insert dwelling unit's address) is disapproved for the following reason(s):

_____

_____

_____

If the above conditions noted by an asterisk are remedied by (insert date), the Lease Request may be approved if this office determines the conditions have been remedied satisfactorily with the effective date of the Lease subject to change. If the items are not so marked, the problems cannot be corrected.

Sincerely,

_____
Administrative Agent
Moderate Rehabilitation Program

cc: Owner

850: PROCESSING THE ANNUAL RECERTIFICATION

EFFECTIVE DATE: June 1997

In cases where all of the requirements under Chapter 800 have been met, revised payments will begin on the effective date stated by the notice. All policies contained in Chapter 500, 600, 700 must be met; however, some of the Policies may be omitted if they are not applicable, since no changes have occurred. A few examples are listed below:

1. The Certification of Rent Reasonableness does not need to be redone if the rent did not increase, provided the comparables are still accurate and the rent is still considered reasonable.
2. The Housing Choice Voucher could be the original Housing Choice Voucher if the Family's certified bedroom size remained the same, and provided the Housing Choice Voucher document has not been revised since the family originally signed the form.
3. The Request for Tenancy Approval would not need updating if the original conditions are the same. The form would need to be completed and submitted again if the document has been revised since the original was executed.

NEW LEASE OR REVISION

The Administrative Agent must approve any new lease or lease revision in advance. **The Administrative and the Owner must enter a new Housing Assistance Payments Contract if the owner requires a new or revised lease.**

The owner may offer the family a new lease, for a term beginning at any time after the initial term. The owner must give the tenant written notice of the offer, with a copy to the Administrative Agent, at least 60 calendar days before the proposed beginning date of the new lease term. The offer must specify a reasonable time limit for acceptance by the family.

A few examples of lease revisions that require a new lease and HAP contract:

- revising the security deposit
- revising the utility responsibilities
- revising the acceptability of pets
- revising or changing the owner or family responsibilities

The following are examples of changes that do no require lease revisions:

- revising the Tenant Rent

- revising the Contract Rent
- revising the family composition (VHDA's model lease only requires written approval -not an executed lease revision); **Note: In this case an owner's lease may require a lease revision, and if so then a new HAP Contract and Lease will be required.**

855: PROVIDING THE VIRGINIA LANDLORD AND TENANT ACT (VLTA) HANDBOOK UPON REQUEST

EFFECTIVE DATE: June 1997

It is not required that the Administrative Agent provide a copy of the Virginia Landlord and Tenant Act Handbook (VLTA Handbook) to each family at the time of annual recertification. VHDA has a supply available if a family desires to have another copy of the handbook.

860: NOTIFYING THE FAMILY OF RIGHT TO REQUEST AN INFORMAL HEARING IF ASSISTANCE IS REVISED OR TERMINATED

EFFECTIVE DATE: June 1997

The Family must be sent a letter prior to the effective date of any change that increases or decrease their Tenant Rent, or terminates assistance. This change will require notifying the Family that an informal hearing may be requested from the Administrative Agent.

An **increase in the Tenant Rent** (or a decrease in the Utility Reimbursement) will require a **30-calendar days written notice**. A decrease in the Tenant Rent only requires a written notice prior to the effective date of the revision.

Policy 830 (Moderate Rehabilitation) excludes this requirement since the ineligibility is based on the unit only, not the Family.
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CHAPTER: ANNUAL RECERTIFICATIONS

865: DOUBLE PAYMENTS TO OWNERS/FAMILIES

EFFECTIVE DATE: June 1997

Refer to Policy 695.

CHAPTER: ANNUAL RECERTIFICATIONS

870: SUBMISSION OF DOCUMENTS- FOR ANNUAL RECERTICATION

EFFECTIVE DATE: January 2002

All HUD Form 50058s are to be submitted electronically to VHDA as referenced in the "VHDA and HUD Section 8 Manual". This manual was distributed to each Administrative Agent during the HUD 50058 electronic submission training provided by VHDA during October 2001.

872: SUBMISSION DEADLINES

EFFECTIVE DATE: June 1997

Annual recertifications are due in VHDA's office by the **first of the month prior to the month in which they are effective**.

> **Example:** An annual recertification effective 3/01/97 received at VHDA on 2/01/97 can be assured of a payment on 3/01/97.
>
> **Example:** An annual recertification effective 3/01/97 received at VHDA on or after 2/02/97 **cannot** be assured of a payment on 3/01/97. The Owner/Family must be told that the payment will be received on 4/01/97 (that will include HAP due for 3/1/91), not on 3/01/97.

An Administrative Agent that continues to submit annual recertifications after the first of the month will be subject to loss of administrative fee income. VHDA may approve exceptions to the first of the month deadline when warranted on a case-by-case basis.

874: CONTENTS OF FAMILY FILES AT ADMINISTRATIVE AGENT'S OFFICE

EFFECTIVE DATE: June 1997

1. Annual recertification forms in the **Housing Choice Voucher Program** must be maintained in the Family's folder placed on top (or in front of) the previous set of documents as listed below:

   - Family/Owner/Payee Account Request -- copy (if revised)
   - HAP Contract/Lease Agreement Addendum
   - Certification of Rent Reasonableness -- original brought forward unless revised or data is not accurate
   - Inspection Checklist -- original
   - *Lease Attachment -Disclosure of Information on Lead-based Paint Hazards -- copy
   - Utility Allowance Schedule -- original brought forward unless revised
   - Request for Tenancy Approval -- original brought forward unless revised
   - Housing Choice Voucher -- original brought forward unless revised
   - HUD-50058 Family Report -- copy
   - *FSS Escrow Account Credit Worksheet -- copy
   - *FSS Addendum to HUD-50058 -- copy
   - *IGR Fact sheet -- copy
   - *Preservation Voucher Worksheet -- copy
   - *Noncitizen Proration of Assistance -- copy
   - Verifications and Certifications-- originals
   - Participating Family Declaration -- copy
   - Authorization for the Release of Information/Privacy Act Notice -- resigned each year

- Initial eligibility documents and correspondence (e.g., Preliminary Application, citizenship declaration forms, etc.,)

- Notices required by policy (e.g., Recertification Letter, HQS Deficiency Letter, Termination Letters, etc.)

2. Annual recertification forms in the **Moderate Rehabilitation Program** must be maintained in the Family's folder placed on top (or in front of) the previous set of documents as listed below:

   - Family/Owner/Payee Account Request -- copy (if revised)

   - Lease Agreement Addendum

   - Inspection Checklist -- original

   - *Lease Attachment -Disclosure of Information on Lead-based Paint Hazards -- copy

   - Unit Data Sheet -- copy

   - Moderate Rehabilitation Statement of Family Responsibility - original brought forward unless revised

   - HUD-50058 Family Report -- copy

   - *Noncitizen Proration of Assistance -- copy

   - Verifications and Certifications-- originals

   - Participating Family Declaration -- copy

   - Authorization for the Release of Information/Privacy Act Notice -- resigned each year

   - Initial eligibility documents and correspondence (e.g., Preliminary Application, citizenship declaration forms, etc.,)

   - Notices required by policy (e.g., Recertification Letter, HQS Deficiency Letter, Termination Letters, etc.)

3. Annual recertification forms in the **Project-Based Certificate Program** must be maintained in the Family's folder placed on top or in front of the previous set of documents as listed below:

   - Family/Owner/Payee Account Request -- copy (if revised)

   - Lease Agreement Addendum

- Inspection Checklist -- original
- *Lease Attachment -Disclosure of Information on Lead-based Paint Hazards -- copy
- Unit Data Sheet -- copy
- Statement of Family Responsibility -- original brought forward unless revised
- HUD-50058 Family Report -- copy
- *Noncitizen Proration of Assistance -- copy
- Participating Family Declaration -- copy
- Verifications and Certifications -- originals
- Authorization for the Release of Information/Privacy Act Notice -- resigned each year
- Initial eligibility documents and correspondence (e.g., Preliminary Application, citizenship declaration forms, etc.,)
- Notices required by policy (e.g., Recertification Letter, HQS Deficiency Letter, Termination Letters, etc.)

*As Applicable

875: MANDATORY EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES

EFFECTIVE DATE: March 2002

BACKGROUND

The regulations governing the mandatory earned income disallowance for persons with disabilities in the Housing Choice Voucher program were published in the Federal Register on January 19, 2001 as a Final Rule (refer to: www.hudclips.org/sub_nonhud/cgi/pdf/1536.pdf to review the regulation in its entirety). On February 13, 2002, HUD published a Final Rule to incorporate a technical amendment that corrected the definition of a "qualified" family (refer to: http://www.hudclips.org/sub_nonhud/cgi/pdf/3413.pdf.)

HUD REGULATIONS AND DEFINITIONS

HUD regulations require the disallowance of all (or part) of the increase in earned income for a total of 24 cumulative months, over a period of not more than 48 consecutive months, as described in the following paragraphs.

Initial 12-Month Exclusion Period

During the cumulative 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed, or the family first experiences an increase in annual income attributable to employment, the Administrative Agent must exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

Second 12-Month Exclusion and Phase-In

During the second cumulative 12-month period after the date a member who is a person with disabilities of a qualified family is first employed, or the family first experiences an increase in annual income attributable to employment, the Administrative Agent must exclude from annual income of a qualified family 50% of any increase in income of such family member as a result of employment over income of that family member prior to the beginning of such employment.

Maximum 4-Year Disallowance

The disallowance of increase income of an individual family member who is a person with disabilities is limited to a lifetime 48-month period. It only applies for a maximum of 12 months for the full exclusion, and a maximum of 12 months for the phase-in (50%) exclusion, during the 48-month period starting from the effective date of the initial exclusion.

Inapplicability to Admission

The disallowance of increases in income as a result of employment of person with disabilities under this regulation does not apply for purposes of admission to the program, including:

- Determination of income eligibility
- Income targeting

Definitions

- **Disallowance:** Exclusion from annual income.

- **Previously unemployed:** Includes a person with disabilities who has earned, in the 12 months previous to employment, no more than would have been received for 10 hours of work per week for 50 weeks, at the established minimum wage. NOTE: The prevailing minimum wage is the higher of the Federal minimum wage, or the State minimum wage.

- **Qualified family:** A family residing in housing assisted under the Housing Choice Voucher program:

    1. Whose annual income increases as a result of employment of a family member who is a person with disabilities, and who was unemployed for 1 or more years previous to employment (includes family members with disabilities who fit the definition of **"previously unemployed"**); or

    2. Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in **any** economic self-sufficiency or other job training program; or

    3. Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or

- The TANF program is not limited to monthly income maintenance, but also includes such benefits as services as one-time payments, wage subsidies and transportation assistance, provided that the total amount over a 6-month period is at least $500.

876: DETERMINING WHETHER THE FAMILY IS QUALIFIED FOR THE INCOME EXCULSION

EFFECTIVE DATE: March 2002

The following steps need to be followed to determine whether or not the family is qualified for the Mandatory Earned Income Disallowance for persons with disabilities:

Step 1: In order to determine if the family is qualified, the head, spouse, sole member, or any adult member of the family must be a person with disabilities.

Step 2: An adult family member who is a person with disabilities must have reported an increase in earned income.

Step 3: Determine whether or not the family member who is a person with disabilities that reported an increase in earned income meets at least one of the following:

- This family member who is a person with disabilities has been unemployed for at least the past year (or has earned no more than would have been earned by working 10 hours per week, 50 weeks per year at the area's prevailing minimum wage); or

- The family member who is a person with disabilities is a **current** participant in, or working and still receiving mentoring from an economic self-sufficiency or other job-training program; or

- The family member who is a person with disabilities has received TANF within the past 6 months of at least a total of $500.

If the family meets the requirements of steps 1 through 3 above, the family is eligible for the mandatory earned income disallowance for persons with disabilities.

877: CALCULATIONS AND TRACKING FOR THE MANDATORY EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES

EFFECTIVE DATE: March 2002

Maximum 4-Year (48 Months) Disallowance Period

The maximum 4-year disallowance period begins on the effective date of the initial exclusion, and ends 48 consecutive months after the effective date of the initial exclusion. **Example**: If the qualified family receives the initial exclusion on October 1, 2001, the maximum 4-year disallowance period will end on October 1, 2005.

Initial 12-Month Exclusion Period

Two figures are used to determine the amount of the incremental increase, or difference in income prior to qualifying employment and increased earned income:

- The amount of monthly income received by the family member before the qualifying increase; and
- The amount of monthly income received by the family member after the increase.

For the initial 12-month exclusion period, the monthly amount to be excluded from the annual income is determined by the following formula:

	Family member's current monthly income
Minus	Family member's monthly income prior to increase in income as a result of employment
Equals	Amount to be excluded from monthly income

After determining whether or not the family is qualified for the disallowance (exclusion), and determining the amount to be excluded, it will be necessary to track the number of months the family actually receives the exclusion.

The full exclusion period begins on the effective date of the initial exclusion, and ends on the earlier of:

- The date the family member has received the full exclusion for 12 cumulative (consecutive or non-consecutive) months; or

- 48 consecutive months from the effective date of the initial exclusion.

If the family member reports an interruption in earned income, the exclusion stops until the family member reports new earned income. But, the clock is still ticking on the maximum 4-year disallowance period. It will be necessary to record the number of months the family member has received the exclusion and the number of months left in the maximum 4-year period.

When the family member reports new earned income, the new exclusion amount must be calculated, using the following formula:

	Family member's current monthly income
Minus	Family member's monthly income prior to **initial** increase in income as a result of employment
Equals	Amount to be excluded from monthly income

The exclusion amount is always determined using the amount of monthly income before the beginning of the qualifying employment. Qualifying employment is the employment used to initially determine that the family meets HUD's definition of a "qualified" family.

The full exclusion period resumes on the effective date that the new amount is excluded from the income. Us e the formula below to determine the number of months remaining in the full exclusion period:

	12 Months
Minus	Number of cumulative months the family has received the exclusion
Equals	Number of months remaining in full exclusion period

There is no limit on the number of times the exclusion can begin and end during the 4-year (48-month) maximum period. It is possible, but not likely, that a family member's income could start one month and stop the next month repeatedly during the entire 4-year maximum disallowance period. (Yes, this means the Administrative Agent would have to process, document and track 48 monthly changes in income in a 4-year period!) It is possible for the family member to reach the end of the 4-year maximum period without receiving 12 cumulative months of the full exclusion. Consider the chart below:

Dates of Employment		Full Exclusion		4-Year Maximum Period	
Employment Begins	Employment Ends	Months Used	Months Remaining	Months Used	Months Remaining
10/1/01	11/1/01	1	11	1	47
2/1/02	4/1/02	3	9	6	41
9/1/02	1/1/03	7	5	15	33
12/1/03	2/1/04	9	3	28	20
9/1/05	10/1/05	10	2	48	0

NOTE: VHDA will provide Administrative Agents with blank copies of the above worksheet upon request.

In this case, the family member only used 10 cumulative months of the full exclusion before the 48-month maximum disallowance period ended. This family member would not be entitled to any further exclusion (full or partial).

Second 12-Month Exclusion and Phase-In

For the phase-in (partial) exclusion period, the monthly amount to be excluded from the annual income is determined by the following formula:

	Family member's current monthly income
Minus	Family member's monthly income prior to increase in income as a result of employment
Equals	Full exclusion amount
X 50%	Amount to be excluded from monthly income

After determining that the family has time remaining in the 4-year maximum disallowance period, and determining the amount to be excluded for the phase-in period, it will be necessary to track the number of months the family actually receives the phase-in exclusion.

The phase-in exclusion period beings when the family has received the full exclusion amount for 12 cumulative months, and ends on the earlier of:

- The date the family member has received the phase-in exclusion for 12 cumulative (consecutive or non-consecutive) months; or

- 48 months from the effective date of the **initial** exclusion.

If the family member reports an interruption in earned income, the phase-in exclusion stops until the family reports new earned income. But, the clock is still ticking on the maximum 4-year disallowance period. It will be necessary to record the number of months the family member has received the phase-in exclusion.

When the family member reports new earned income, the new phase-in exclusion amount must be calculated, using the following formula:

	Family member's current monthly income
Minus	Family member's monthly income prior to increase in income as a result of employment
Equals	Full exclusion amount
X 50%	Amount to be excluded from monthly income

The phase-in exclusion amount is always determined using the amount of monthly income before the beginning of qualifying employment. Qualifying employment is the employment used to initially determine that the family meets HUD's definition of a "qualified" family.

The phase-in partial exclusion period resumes on the effective date that the new amount is excluded from the income. Use the formula below to determine the number of months remaining in the phase-in exclusion period:

	12 months
Minus	Number of cumulative months the family has received the partial (phase-in) exclusion
Equals	Number of months remaining in partial (phase-in) exclusion period

There is no limit on the number of times the partial (phase-in) exclusion can begin and end during the 4-year maximum period. It is possible for the family member to reach the end of the 4-year maximum period without receiving 12 cumulative months of the phase-in exclusion. Consider the chart below:

Dates of Employment		Full Exclusion		4-Year Maximum Period	
Employment Begins	Employment Ends	Months Used	Months Remaining	Months Used	Months Remaining
10/1/01	11/1/01	1	11	1	47
2/1/02	4/1/02	3	9	6	42
9/1/02	1/1/03	7	5	15	33
2/1/03	7/1/03	12	0	21	27
		Phase-In Exclusion			
9/1/04	10/1/04	1	11	36	12
2/1/05	6/1/05	4	7	44	4
9/1/05	10/1/05	1	6	48	0

NOTE: VHDA will provide Administrative Agents with blank copies of the above worksheet upon request.

In this case, the family member only used 12 cumulative months of the full exclusion, and 6 cumulative months of the partial (phase-in) exclusion before the 48-month maximum disallowance period ended. This family member would not be entitled to any further exclusion (full or partial).

878: FAMILY REPORTING AND INTERIM RECERTIFICATIONS REGARDING THE MANDATORY EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES

EFFECTIVE DATE: January 2002

The Administrative Agent must perform an interim recertification when the full exclusion period ends, and the partial exclusion period begins, due to the change in the family's exclusion status.

CHAPTER 900: REVISIONS DURING THE HAP CONTRACT TERM

910: INTERIM REPORTING REQUIREMENTS

EFFECTIVE DATE: June 2002

The paragraphs under this section explain VHDA's default reporting requirements for program participants. Note that the Administrative Agent's discretion to implement (with prior VHDA approval) a local interim reporting requirement, must be included in their local addendum to VHDA's Administrative Plan. For interim redeterminations, the Agent only needs to verify the income and/or household composition that has changed.

Family Composition Changes:

Families ***must report any change in family composition*** (for example, any household member who moves in or out of the unit as a result of: birth, adoption, court-award custody or a child, or death of a family member, etc.) **in writing** within **30 calendar days** of the composition change.

Changes in family composition will cause the annual household income to increase or decrease based on the new family composition. Family composition changes require an interim that recalculates sources of income available to all members of the household, and to change the household composition.

Zero Income Families:

If the Family ***did not report any income*** ($0 is listed on the annual income line of the HUD-50058) on the last certification, they must report all sources and amounts of annual income within 30 calendar days of receiving the income **in writing**.

> **Remember: A 30-day written notice is required to increase a family's portion**.

Family Requested Interims:

If a Family requests in writing a reexamination due to an increase or decrease in income and/or allowance, the Administrative Agent **must** process the change.

Families may request (**in writing)** a redetermination of the payment to the owner on the basis of ***changes that may reduce their portion of the rent***. Such change will be effective no sooner than the first of the month following the month the Administrative Agent received the written request of the change from the Family.

A Family may request an interim redetermination for any amount of increase in income provided they understand their Tenant Rent will increase.

Family Self-Sufficiency (FSS) Families may report increases in order to increase their escrow accounts. The FSS program establishes an escrow account to encourage families to save as their earned household income increases. This is an important program component and should be explained to the family in order that they may benefit from the increased earnings. If the family does not report, then the escrow account will not increase over the term of the contract.

General Guidelines:

Families that report/request as required ***during the last 120 days*** **before their schedule annual recertification**, create difficulties related to completing the annual recertification process. Below are some general guidelines that VHDA expects to be followed; specific cases may need special handing that the Administrative Agent will need to address.

1) Families may report a change in income or expenses (or other circumstances) that would result in a reduction to the amount they pay to the Owner. This type of change will be processed the first of the month following the month in which the Administrative Agent received written notice of the change (when the family reports the change in writing – not when the written verification was received). In this case, a reduction would not wait until the annual recertification date; **process the interim** the first of the month following the month the Administrative Agent received written notice of the change.

2) If the Administrative Agent has already completed the paperwork for the annual recertification, any increase in income would be reflected at the next recertification – **do not process an interim**. Unfortunately, some participants have unstable income situations, and after you have verified income for the scheduled annual recertification, the family reports another increase in the 120-day recertification window. Keep in mind that VHDA is not interested in having the Administrative Agent redo paperwork to “catch” these increases that occur in the 120-day window. The HUD requirement is to complete an annual review of the case and that has been accomplished. In these cases do not redo the annual recertification; permit the family to benefit from the improved financial situation.

3) Changes in family composition may cause the income to increase or decrease based on the new family composition. Family composition changes require an interim that recalculates sources of

- If a change in family composition occurs in the 120 day window and you have not completed the paperwork and the **tenant contribution will increase**, include all of the family composition and income changes in with the annual recertification. **Remember: A 30-day written notice is required to increase a family's portion**.

If the paperwork is already completed for the annual recertification and the **family contribution will increase**, make the composition and/or income change(s) effective the first of the month following the annual recertification effective date (example below). **Remember: A 30-day written notice is required to increase a family's portion**.

If the family composition causes a decrease in the family contribution, an interim redetermination will be required to reduce the family's contribution to the rent prior to the scheduled annual recertification effective date. The annual recertification would need to be redone.

4) A zero income family requires the increase in income to be processed as an interim.

Interim recertification will be refused for processing for a decrease in income if the following occurs:

The decrease was caused by a deliberate action of the Family to avoid paying rent and this action is clearly documented with verification. (Example: The Family quit a job in order to qualify for a lower rent.)

OR

Confirmation is received that the decrease will last less than one month. (Example: An employer states that the Family member will be laid-off for only two weeks.)

- Applicants and participants must sign and submit a HUD Form-9886 (Authorization for the Release of Information/Privacy Act Notice) each time the Administrative Agent evaluates their eligibility for housing assistance (at initial certification, **interim certification**, or regularly scheduled annual recertification). HUD Form-9886 may be located at: http://www.hudclips.org/sub_nonhud/html/pdfforms/9886.pdf.

- Interim recertification verifications are valid for a period of 120 days from the date of the source's signature.

- The Administrative Agent may investigate and question Families at any time if it is believed that the Family has not complied with reporting requirements.

- It is recommended (*not required*) that form 8-910-1 (Interim Reporting Requirements) be signed by the family, and a copy placed in the family's file. **Form 8-910-1 is located on the following page**.

Remember: A 30-day written notice is required to increase a family's portion.

HOUSING CHOICE VOUCHER HOUSING ASSISTANCE PAYMENTS PROGRAM
(8-910-1)
PARTICIPANT INTERIM REPORTING REQUIREMENTS

The paragraphs under this section explain VHDA's default reporting requirements for program participants. Note that VHDA Administrative Agent's have discretion to implement, with prior VHDA approval, a local interim reporting requirement. If an Administrative Agent elects to develop a local interim reporting requirement, it must be included in their local addendum to VHDA's Administrative Plan.

Family Composition Changes:

You ***must report any change in family composition*** (e.g., any household member who moves in or out of the unit, birth, adoption, court-awarded custody of a child, or death of family member, etc.) within 30 calendar days of the composition change, in writing.

Zero Income Families:

If you ***did not report any income*** ($0 is listed on the annul income line of the HUD-50058) on the last certification, then you must report **in writing** all sources and amounts of income within **30 calendar days** of receiving the income.

Family Requested Interims:

If **you request** in writing a reexamination due to an increase or a decrease in income or an increase or decrease in allowance, the Administrative Agent **must** process the change.

NOTE: If you are in doubt about whether or not to report circumstances – contact your Administrative Agent. VHDA will not accept an explanation of not understanding reporting requirements should it be determined you are not in compliance with program guidelines.

912: INCREASES IN INCOME

EFFECTIVE DATE: June 2000

All Families whose portions will increase must be sent the form 8-900-1 (Notification for Change in Rent) or form 8-900-2 (Notification of Change in Contract Rent/Payments – Moderate Rehabilitation Program), as appropriate. The notification should be sent to the Family when the revision is calculated, even prior to submission to VHDA. Should VHDA revise the paperwork as submitted, another 8-900-1 or 8-900-2 must be sent VHDA to the Family stating the new amounts and that the Family may request an informal hearing within ten days. Revisions of this type cannot become effective until after the informal hearing has been held, if requested, or until after the 10 calendar days request period has passed.

In cases where the Family did not notify the Administrative Agent of the change within the time frame required, a 30-calendar days notice is not required. The effective date of the revision will be the 1st of the month following the month in which the change occurred. However, if the Family notified the Administrative Agent as required, <u>at least 30-calendar days</u> notice must be given to the Family prior to implementing the increase in the Family's portion.

If an interim recertification is completed on behalf of a Family that results in a $0 housing assistance payment, the Family's participation will be determined in accordance with Policy 809.

916: REDUCTION OF FAMILY'S PORTION

EFFECTIVE DATE: April 1997

Families may report a change in income or expenses or other circumstances that would result in a reduction to the amount they pay to the Owner. This type of change will be processed the 1st of the month following the month in which the Administrative Agent received the written request of the change from the family.

920: HAP CONTRACT RENT ADJUSTMENTS

EFFECTIVE DATE: January 1997

The Housing Choice Voucher Program allows rent increases after the initial 12-month term. (Refer to Policy 824).

The Moderate Rehabilitation Program and Project-Based Certificate HAP Contract provides rent increases during the term based on the anniversary date of the HAP Contract. Notification will be made to the Administrative Agent/Owner by receipt of a revised Unit Data Sheet.

921: UTILITY ALLOWANCE ADJUSTMENTS

EFFECTIVE DATE: January 1997

If during a Housing Choice Voucher Lease term a utility allowance adjustment is requested, VHDA approval can be obtained, as long as the Gross Rent remains the same. For instance, if an Owner converts a utility to a higher cost utility, or if an Owner transfers the responsibility for payment of a utility from Owner to tenant (or tenant to Owner) the difference would have to be deducted from or added to the Contract Rent normally charged by the Owner. The Owner and the tenant must execute a new lease, and the Administrative Agent and the Owner must execute a new HAP Contract.

Utilities are adjusted by VHDA for Moderate Rehabilitation and Project-Based Certificate properties. Notification will be made to the Administrative Agent/Owner by receipt of the revised Unit Data Sheet.

930: REVISIONS DURING HAP CONTRACT TERM

EFFECTIVE DATE: June 2002

All HAP Contracts require the Administrative Agent's written consent to a transfer of the contract. In order to reflect the correct Owner when a change in ownership occurs, the form 8-930-1 (HAP-Assignment, Assumption, & Consent Agreement) has been created by VHDA's legal department that will acknowledge VHDA's consent to an ownership change. **The 8-930-1 will be executed on transfers of ownership for all programs.**

The Administrative Agent prepares and secures the form 8-930-1 from the Owner (or their attorney) of a Housing Choice Voucher unit. A copy of the recorded deed is not required; but an IRS Form W-9 is required.

For the Moderate Rehabilitation and Project-Based Certificate programs, ownership changes must continue to be processed through VHDA. A copy of the recorded deed is not required; but a form 8-930-1 and the IRS Form W-9 are required.

The executed 8-930-1 and IRS Form W-9 must be received and processed by the Administrative Agent no later than the 10th day of the month in order that HAP check(s) may be made payable to the new owner the first of the following month.

935: VOUCHER PAYMENT STANDARDS FOR INTERIMS

EFFECTIVE DATE: January 1997

The Voucher Payment Standard applied to a Family is revised only in the following cases:

- At regular recertifications; or
- At the time the Family moves to another unit and the Family size changes.

Therefore, a change in the Voucher Payment Standard does not occur for an interim.

937: FAMILY BREAK-UP

EFFECTIVE DATE: January 1997

The Administrative Agent has discretion to determine which members of an assisted family continue to receive assistance in the program if the family breaks up.

The factors to be considered in making this decision include:

- Whether the assistance should remain with family members remaining in the original assisted unit.
- The interest of minor children or of ill, elderly, or disabled family members.
- Whether family members are forced to leave the unit as a result or actual or threatened physical violence against family members by a spouse or other member of the household.
- If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the Administrative Agent is bound by the court's determination of which family members continue to receive assistance in the program.

In cases where the Family members are not clear as to who will remain as a Family and who will leave, the Administrative Agent must require the members to decide by a specified deadline. The Administrative Agent should not attempt to resolve who rightfully should receive the Housing Choice Voucher as that is the Family's responsibility. A decision must be made by the Family as to who will be the remaining member(s), since only one Housing Choice Voucher will be issued. If a decision is not reached by the specified deadline, then eligibility/assistance cannot proceed or continue (i.e., terminate a Housing Choice Voucher, terminate HAP Contract/Lease, etc.).

CHAPTER 1000: TERMINATIONS

CHAPTER: TERMINATIONS

1000: TERM OF ASSISTED TENANCY

EFFECTIVE DATE: June 2002

TERM OF HOUSING ASSISTANCE PAYMENTS CONTRACT

- The term of the Housing Assistance Payments Contract begins on the 1st day of the term of the lease and ends on the last day of the term of the lease.

- The Housing Assistance Payments Contract terminates if the lease terminates.

TERM OF LEASE

1. **The initial term of the lease must be for at least one year.**
   - **If the initial term of lease begins 1/4/02, the family's next scheduled annual recertification is 2/1/03.**
   - **If the initial term of lease begins 1/1/02, the family's next scheduled annual recertification is 1/1/03**.

2. The lease must provide for automatic renewal after the initial term of the lease. The lease may provide either:

   a) For automatic renewal for successive definite terms (e.g., month-to-month or year-to-year), or

   b) For automatic indefinite extension of the lease term

The VHDA model lease renews month-to-month after the initial term.

3. The term of the lease terminates if any of the following occurs:

   - The owner terminates the lease;

   - The tenant terminates the lease;

   - The owner and the tenant agree to terminate the lease; or

   - The Administrative Agent/VHDA terminates assistance for the family.

RELATION OF LEASE TO ANNUAL CONTRIBUTIONS CONTRACT

VHDA may approve the lease, and Administrative Agent's execution of a Housing Assistance Payments Contract, even if there is less than one year remaining from the beginning of the lease term to the end of the last expiring funding increment in the program.

CHAPTER: TERMINATIONS

1002: OWNER TERMINATION OF TENANCY

EFFECTIVE DATE: December 1996

(a) **GROUNDS**. During the term of the lease, the owner may only terminate the tenancy on the following grounds:

(1) Serious or repeated violation of the terms and conditions of the lease; or

(2) Violation of federal, state, or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or

(3) Other good cause.

(b) **NONPAYMENT BY VHDA: NOT GROUNDS FOR TERMINATION OF TENANCY**.

(1) The family is not responsible for payment of the portion of the rent to owner covered by the housing assistance payment under the Housing Assistance Payments Contract between the owner and the Administrative Agent.

(2) VHDA's failure to pay the housing assistance payment to the owner is not a violation of the lease between the tenant and the owner. During the term of the lease the owner may not terminate the tenancy of the family for nonpayment of the housing assistance payment.

(c) **CRIMINAL ACTIVITY.** Any of the following types of criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control shall be cause for termination of tenancy:

(1) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents; or

(2) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or

(3) Any drug-related criminal activity on or near the premises.

(d) **OTHER GOOD CAUSE.**

(1) "Other good cause" for termination of tenancy by the owner may include, but is not limited to, any of the following examples:

(i) Failure by the family to accept the offer of a new or revised lease;

(ii) A family history of disturbance of neighbors, destruction of property, or of living and/or housekeeping habits resulting in damage to the unit or premises;

(iii) The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or

(iv) A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, desire to lease the unit at a higher rental).

(2) During the 1st year of the lease term, the owner may not terminate the tenancy for "other good cause", unless the owner is terminating the tenancy because of something the family did or failed to do. For example, during this period, the owner may not terminate the tenancy for "other good cause" based on any of the following grounds:

(i) failure by the family to accept the offer of a new or revised lease;

(ii) the owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or

(iii) a business or economic reason for termination of the tenancy (see paragraph (d)(1)(iv) of this section).

(e) **OWNER NOTICE.**

(1) Notice of grounds.

(i) The owner must give the tenant a written notice that specifies the grounds for termination of tenancy. The notice of grounds must be given at or before commencement of the eviction action.

(ii) The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

(2) Eviction notice.

(i) Owner eviction notice means a notice to vacate, or a complaint

or other initial pleading used under state or local law to commence an eviction action.

(ii) The owner must give the Administrative Agent a copy of any owner eviction notice provided to the tenant.

(f) **EVICTION BY COURT ACTION**.

The owner may only evict the tenant from the unit by instituting a court action.

The Administrative Agent does not submit a Stop Payment until the court awards possession of the unit to the owner.

Sample termination of tenancy notices have been created in accordance with state law and the model VHDA lease. The program regulations do not require VHDA to provide sample notices for owners in the program. Owners should be advised to use the samples only as a guide and contact their attorney for assistance in creation of notices.

The Administrative Agent must provide the owner with a copy of form 8-1002-1 (Owner Termination of Tenancy Requirements).

SECTION 8 RENTAL ASSISTANCE PROGRAM
OWNER TERMINATION OF TENANCY REQUIREMENTS

Owners must notify the Administrative Agent in writing of the commencement of procedures for termination of tenancy, at the same time that the owner gives notice to the family. Sample termination of tenancy notices are available from the Administrative Agent but in no way reflect a legal opinion on termination of tenancy. Owners should seek legal advice for assistance or preparation of the notices.

(a) **GROUNDS**. During the term of the lease, the owner may only terminate the tenancy on the following grounds:

(1) Serious or repeated violation of the terms and conditions of the lease;
(2) Violation of federal, state, or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or
(3) Other good cause.

(b) **NONPAYMENT BY HOUSING AUTHORITY: NOT GROUNDS FOR TERMINATION OF TENANCY**.

(1) The family is not responsible for payment of the portion of the rent to owner covered by the housing assistance payment under the housing assistance payments contract between the owner and the Housing Authority.
(2) The Housing Authority's failure to pay the housing assistance payment to the owner is not a violation of the lease between the tenant and the owner. During the term of the lease the owner may not terminate the tenancy of the family for nonpayment of the Housing Authority housing assistance payment.

(c) **CRIMINAL ACTIVITY.** Any of the following types of criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control shall be cause for termination of tenancy:

(1) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents;
(2) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises; or
(3) Any drug-related criminal activity on or near the premises.

(d) **OTHER GOOD CAUSE.**

(1) "Other good cause" for termination of tenancy by the owner may include, but is not limited to, any of the following examples:

(i) Failure by the family to accept the offer of a new lease or revision;
(ii) A family history of disturbance of neighbors or destruction of property, or of living or housekeeping habits resulting in damage to the unit or premises;
(iii) The owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or
(iv) A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, desire to lease the unit at a higher rental).

(2) During the first year of the lease term, the owner may not terminate the tenancy for "other good cause," unless the owner is terminating the tenancy because of something the family did or failed to do. For example, during this period, the owner may not terminate the tenancy for "other good cause" based on any of the following grounds:

i. failure by the family to accept the offer of a new lease or revision;
ii. the owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or
iii. a business or economic reason for termination of the tenancy (see paragraph (d)(1)(iv) of this section).

(e) **OWNER NOTICE.**

(1) Notice of grounds:

(i) The owner must give the tenant a written notice that specifies the grounds for termination of tenancy. The notice of grounds must be given at or before commencement of the eviction action.
(ii) The notice of grounds may be included in, or may be combined with any owner eviction notice to the tenant.

(2) Eviction notice.

(i) owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action.
(ii) The owner must give the Administrative Agent a copy of any owner eviction notice to the tenant.

(f) **EVICTION BY COURT ACTION**. The owner may only evict the tenant from the unit by instituting a court action. The Administrative Agent does not submit a Stop Payment until the court awards possession of the unit to the owner.

SAMPLE LETTER-Noncompliance with Rental Agreement--Failure to Pay Rent

Date

Family Name
Address of unit (or last known address of family)

Dear

Take notice that the amount of rent and other charges due as of _____, 20____, under the terms of your lease is $_____ (this amount does not include any costs incurred or to be incurred in the collection of such amount or any future rent or charges payable by you under the lease). Your failure to pay such amount on or before the date specified in the next paragraph will constitute a breach under the provisions of your lease and will be grounds for termination of your lease and for eviction from the dwelling unit.

Notice is hereby given that your lease will terminate on _____, 20____,* if you do not pay the above specified amount in full on or before that date. Accordingly, on or before the date set forth in the preceding sentence, you must either pay the above-specified amount in full or quit the dwelling unit. If you do not so pay or quit, the undersigned shall exercise its rights and remedies under the lease and applicable law to recover all amounts owed under the lease and possession of the dwelling unit.

You are hereby advised that you may respond to the above-described grounds for termination of the lease and that if a judicial proceeding for eviction is instituted, you have a right to present a defense in any such proceeding.

Sincerely,

Owner

cc: Administrative Agent

* Not earlier than 5 days after:
a) the date that this notice is to be hand delivered, or
b) the date that this notice is to be served by first class mail.

NOTE: This notice is to be mailed to the family by first class mail, postage prepaid, (proof of mailing, such as a U.S. Postal Certificate of Mailing must be retained) or is to be hand delivered to the family. Please advise the VHDA Administrative Agent as to the date the notice is delivered/served and whether it was mailed or hand delivered. If both mailed and hand delivered, use the later of the dates in a) and b) above for the purpose of determining the date to be inserted in this letter as indicated by the asterisk.

SAMPLE LETTER - Noncompliance with Rental Agreement - Remediable Breach

Date

Family Name
Address of unit (or last known address of family)

Dear

Take notice that according to the terms of your lease, the Virginia Residential Landlord and Tenant Act, and/or the applicable Federal Section 8 regulations, you are required to:

(List violations and explain them in enough detail for the family to prepare a defense)

The above violations constitute a breach of the lease, and if these violations are not remedied within the time specified in the next paragraph, they will be grounds for termination of your lease and for eviction from your dwelling unit.

Notice is hereby given that your lease will terminate on _____, 20____,* if the aforementioned violations are not remedied by _____, 20____**.

You are hereby advised that you may respond to the above-described grounds for termination of the lease and that if a judicial proceeding for eviction is instituted, you have a right to present a defense in any such proceeding.

Sincerely,

Owner

cc: Administrative Agent

* Not earlier than 30 days after:

a) the date that this notice is to be hand delivered, or
b) the date that this notice is to be served by first class mail.

** The date, which is 21 days after the date in a) or b) above.

NOTE: This notice is to be mailed to the family by first class mail, postage prepaid, (proof of mailing, such as a U.S. Postal Certificate of Mailing must be retained) or is to be hand delivered to the family. Please advise the VHDA Administrative Agent as to the date the notice is delivered/served and whether it was mailed or hand delivered. If both mailed and hand delivered, use the later of the dates in a) and b) above for the purpose of determining the dates to be inserted in this letter as indicated by the asterisks.

SAMPLE LETTER --Failure to Maintain - Repairs to be made within 14 days

Date

Family Name
Address of unit (or last known address of family)

Dear

Pursuant to your lease, you are hereby notified that the following repairs must be made to your unit on or before _____, 20____:*

You are advised that if you do not complete the repairs satisfactorily by such date, the owner will make the repairs properly and the bill submitted to you for payment. Under your lease, the bill for repairs must be paid in full on the date that the next following monthly rental payment is due. A failure to so pay the bill for repairs would be a breach of the lease and may result in a termination of the lease and legal action to collect delinquent rent (including the amount of the bill for repairs) and to obtain possession of your premises.

You must notify the owner on or before the date specified in the preceding paragraph to indicate that the repairs have in fact been made. Arrangements will be made for an inspection of the repairs to ascertain that the repairs have been made satisfactorily.

Your prompt attention to this matter is both necessary and appreciated.

Sincerely,

Owner

cc: Administrative Agent

* Not earlier than 14 days after:

a) the date that this notice is to be hand delivered, or
b) the date that this notice is to be served by first class mail.

If an emergency, specify date, which is as prompt as conditions require.

NOTE: THIS NOTICE IS TO BE MAILED TO THE FAMILY BY FIRST CLASS MAIL, POSTAGE PREPAID, (PROOF OF MAILING, SUCH AS A U.S. POSTAL CERTIFICATE OF MAILING MUST BE RETAINED) OR IS TO BE HAND DELIVERED TO THE FAMILY. PLEASE ADVISE THE VHDA ADMINISTRATIVE AGENT AS TO THE DATE THE NOTICE IS DELIVERED/SERVED AND WHETHER IT WAS MAILED OR HAND DELIVERED. IF BOTH MAILED AND HAND DELIVERED, USE THE LATER OF THE DATES IN A) AND B) ABOVE FOR THE PURPOSE OF DETERMINING THE DATE TO BE INSERTED IN THIS LETTER AS INDICATED BY THE ASTERISK.

SAMPLE LETTER - Noncompliance with Rental Agreement: Abandonment or Nonremediable Breach

Date

Family Name
Address of unit (or last known address of family)

Dear

Notice is hereby given that your lease will terminate on _____, 20____,* for the following reasons:

( ) 1. You have abandoned the dwelling unit.

( ) 2. You have committed the following breach(es) under your lease, which are not remediable:_____
_____

You are hereby advised that you may respond to the above-described grounds for termination of the lease and that if a judicial proceeding for eviction is instituted, you have a right to present a defense in any such proceeding.

Sincerely,

Owner

cc: Administrative Agent

* In the case of abandonment, insert a date on or after (a) the date that this notice is to be hand delivered or (b) the date that this notice is to be served by first class mail.

In the case of non-remediable breach, insert a date not earlier than 30 days after (a) the date that this notice is to be hand delivered, or (b) the date that this notice is to be served by first class mail.

In the case of a criminal or willful act that poses a threat to health or safety, the date of termination may be any date on or after (a) the date that this notice is to be hand delivered or (b) the date that this notice is to be served by first class mail.

NOTE: This notice is to be mailed to the family by first class mail, postage prepaid, (proof of mailing, such as a U.S. Postal Certificate of Mailing must be retained) or is to be hand delivered to the family. Please advise the VHDA Administrative Agent as to the date the notice is delivered/served and whether it was mailed or hand delivered. If both mailed and hand delivered, use the later of the dates in a) and b) above for the purpose of determining the date to be inserted in this letter as indicated by the asterisk.

SAMPLE AFFIDAVIT

I, the undersigned, being duly sworn, depose and say as follows:

On _____, 20____, a copy of the Notice attached hereto was hand delivered by me:

a) To _____ (insert name of tenant)

b) To _____ (insert name of member of tenant's family that is at least 16 years of age, other than a temporary guest) at the subject dwelling unit. I gave such person information as to the purpose of the notice. The tenant was not found at the dwelling unit.

c) By other means permitted by the Virginia Residential Landlord and Tenant Act as follows (applicable if service as described in (b) above cannot be accomplished):

_____

On _____, 20____, a copy of the Notice attached hereto was mailed by first-class mail, postage prepaid, properly stamped and addressed to the tenant at the mailing address of the subject dwelling unit or the tenant's last known place of residence with a proper return address. I retained proof of mailing (such as a U.S. Postal Certificate of Mailing), a copy of which is attached hereto.

_____
Authorized Representative

STATE OF_____

CITY/COUNTY OF_____

Sworn to and subscribed before me, this _____ day of _____,

20____. My commission expires: _____.

_____
Notary Public

CHAPTER: TERMINATIONS

1006: LEASE TERMINATION BY FAMILY

EFFECTIVE DATE: December 1996

The family may terminate the lease at any time after the first year. The lease may not require the family to give more than 60 calendar days notice of such termination to the owner. The VHDA lease requires the family to give 30-calendar days notice to the owner in writing. The owner must receive the notice by the 1st of a given month. In an example of a family giving notice on January 4th, the owner and VHDA would not consider the lease terminated until February 28th.

If the family terminates the lease on notice to the owner, the family must give the Administrative Agent a copy of the notice of termination at the same time given to the owner. Failure to do this is a breach of family obligations under the program.

Termination by the family during the 1st year of the lease is allowed only by mutual consent between the owner and family. Although the owner and family may mutually agree to terminate the lease, this move will count as the 1 move the family may make in a given 1 year period. The following is an example of a mutual consent in the 1st year and the 1 move rule:

EXAMPLE:

> Initial lease effective 4/1/97 - 3/31/98
>
> Family and owner mutually agree to terminate the lease on 7/31/97; new lease begins in another unit or locality effective 8/1/97
>
> Family cannot move again until 8/1/98

1008: TERMINATION OF HOUSING ASSISTANCE PAYMENTS

EFFECTIVE DATE: JUNE 2002

Housing assistance payments (HAP) are paid to the owner in accordance with the terms of the HAP Contract. HAP may only be paid to the owner during the lease term, and while the family is residing in the unit.

TERMINATION OF HAP PAYMENT: WHEN OWNER TERMINATES THE LEASE

HAP terminates when the lease is terminated by the owner in accordance with the lease. However, if the owner has commenced the process to evict the family, and if family continues to reside in the unit, VHDA must continue to make housing assistance payments to the owner in accordance with the HAP Contract until the owner has obtained a court judgment or other process allowing the owner to evict the family. VHDA may continue such payments until the family moves or is evicted from the unit.

TERMINATION OF HAP PAYMENT: OTHER REASONS FOR TERMINATION

HAP terminates if:

(1) The lease terminates;

(2) The HAP Contract terminates; or

(3) The Administrative Agent terminates assistance for the family.

FAMILY MOVE-OUT

If the family moves out of the unit, VHDA may not pay any HAP to the owner for any month after the month the family moves out. The owner may keep the HAP for the month that the family actually moves out of the unit.

If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. **Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit *IS NOT considered a duplicate housing subsidy*.**

The move-out/termination date must be as accurate as possible.

Two sample documents, Agreement for Mutual Rescission of Lease and Family Lease Termination Notice, are provided to document the actions of the respective parties.

All cases that are participating in the Family Unification Program will need to provide the appropriate reporting document **when requested** (i.e., Vanderbilt Data Collection Form for Lease-Up, Recertification and Termination/Transfer or whatever document is requested for reporting purposes).

AGREEMENT FOR MUTUAL RESCISSION OF LEASE

THIS AGREEMENT, entered into this_____day of_____,20____, by and between_____ as owner , and_____ as family, shall by mutual agreement fully rescind, forever the lease executed by and between the parties on the ____ day of_____, _____; and family agrees that the subject premises of said lease known as_____. shall be vacated by the family by _____o'clock a.m./p.m., the _____day of _____,20____.

IT IS HEREBY AGREED that the owner is not entitled to vacancy loss payments from the Virginia Housing Development Authority (VHDA) if permitted per the Housing Assistance Payments Contract. The family's security deposit will be refunded by the owner in accordance with state and local law.

LANDLORD_____ FAMILY_____

BY_____ DATE_____

TITLE_____

DATE_____

FAMILY LEASE TERMINATION NOTICE

THIS STATEMENT SHALL SERVE AS NOTICE that_____, tenant is giving notice on the ____ day of_____, 20_____, and the tenant agrees that the subject premises of said lease known as _____ shall be vacated by _____o'clock a.m./p.m., the last day of the month of _____,20_____.

IT IS HEREBY UNDERSTOOD that the lease, Housing Assistance Payments Contract, and rental assistance for the above unit will terminate as of the end of the month of_____, 20____.

SIGNATURE OF HEAD OF HOUSEHOLD _____

SIGNATURE OF OTHER ADULTS LISTED IN LEASE _____

_____

DATE_____

Copies of this statement must be provided to the owner and the Administrative Agent.

MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATE

AGREEMENT FOR MUTUAL RESCISSION OF LEASE

THIS AGREEMENT, entered into this_____day of_____,20____, by and between_____ as owner, and_____ as family, shall by mutual agreement, fully rescind forever the lease executed by and between the parties on the first day of_____, 20_____; and family agrees that the subject premises of said lease known as _____shall be vacated by the family by _____o'clock a.m./p.m., the _____day of _____,20____.

IT IS HEREBY AGREED that the owner is entitled to vacancy loss, damages and unpaid rent payments from the Virginia Housing Development Authority (VHDA) as provided in the Housing Assistance Payments Contract and in accordance with VHDA procedures. The family's security deposit will be refunded by the owner in accordance with state and local law.

LANDLORD_____

BY_____

TITLE_____

DATE_____

FAMILY_____

DATE_____

CHAPTER: TERMINATIONS

1009: ABSENCE FROM UNIT

EFFECTIVE DATE: February 1998

The family may be absent from the unit for brief periods. For longer absences, the Housing Authority establishes the policy on how long the family may be absent from the assisted unit. However, ***the family may not be absent from the unit for a period of more than 180 consecutive calendar days in any circumstance, or for any reason***. At its discretion, the Housing Authority may allow absence for a lesser period in accordance with Housing Authority policy.

Housing assistance payments terminate if the family is absent for longer than the maximum period permitted. The term of the Housing Assistance Payments Contract and assisted lease also terminate. (The owner must reimburse the Housing Authority for any housing assistance payment for the period after the termination.)

Absence means that no member of the family is residing in the unit.

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

The Administrative Agent may adopt appropriate techniques to verify family occupancy or absence, including letters to the family at the unit, phone calls, visits, or questions to the landlord or neighbors.

The Housing Authority must state the policies on family absence from the dwelling unit. The absence policy includes:

- How the Housing Authority determines whether or when the family may be absent, and for how long. For example, the Housing Authority may establish policies on absences because of vacation, hospitalization or imprisonment; and

- Any provision for resumption of assistance after an absence, including readmission or resumption of assistance to the family.

The following are VHDA policies on absences due to hospitalization, incarceration and other documented absences:

A. *ABSENCE DUE TO HOSPITALIZATION*

1. If the absence is due to hospitalization, advice from a medical source will be required as to the length of the stay. If the medical source states the family will be hospitalized 180 consecutive days or more, the family will be considered absent and assistance will terminate. If the absence is less than 180 consecutive days, assistance may continue for this brief absence.

2. *Hospitalization is the only situation whereby policy will permit reinstating assistance or resuming assistance without reapplying to the Program.*

B. *ABSENCE DUE TO INCARCERATION*

1. If absence is due to incarceration, termination of assistance would not occur until verification of the length of incarceration is known. If the length of incarceration is longer than 90 consecutive days, assistance will be terminated.

2. *A family must reapply to the Program after termination; assistance will not be reinstated or resumed after termination.*

C. ABSENCE DUE TO OTHER DOCUMENTED REASONS

1. Absence due to a documented reason other than hospitalization or incarceration (e.g., employment, active duty/reserves, vacation, or to care for another individual, etc.) is permitted for 90 consecutive days; termination will occur if the absence exceeds 90 consecutive days.

2. *A family must reapply to the Program after termination; assistance will not be reinstated or resumed after termination.*

CHAPTER: TERMINATIONS

1010: DENIAL OR TERMINATION OF ASSISTANCE FOR A FAMILY

EFFECTIVE DATE: June 2002

A. *ACTION OR INACTION BY FAMILY.*

This section states the grounds on which VHDA or the Administrative Agent may deny assistance for an applicant (or terminate assistance for a participant) under the program because of the family's action or failure to act. The provisions of this section do not affect denial or termination of assistance for grounds other than action or failure to act by the family.

1. **Denial of assistance for an applicant may include any or all of the following:** denying listing on the waiting list, denying or withdrawing a Housing Choice Voucher, refusing to enter into a Housing Assistance Payments Contract or approve a lease, and refusing to process or provide assistance under portability procedures.

2. **Termination of assistance for a participant may include any or all of the following:** refusing to enter into a Housing Assistance Payments Contract or approve a lease, terminating housing assistance payments under an outstanding Housing Assistance Payments Contract, and refusing to process or provide assistance under portability procedures.

3. This section does not limit or affect exercise of the rights and remedies against the owner under the Housing Assistance Payments Contract, including termination, suspension or reduction of housing assistance payments, or termination of the Housing Assistance Payments Contract.

B. *GROUNDS FOR DENIAL OR TERMINATION OF ASSISTANCE.*

VHDA or the Administrative Agent ***may at any time*** deny program assistance for an applicant, or terminate assistance for a participant, for any of the following grounds:

1. If the family violates any family obligations under the program.

2. If any member of the family has ever been evicted from public housing.

3. If a Housing Authority has ever terminated assistance under Housing Choice Voucher or Certificate program(s) for any member of the family.

4. If any member of the family commits drug-related criminal activity, violent criminal activity, abuses alcohol in a way that interferes with the health, safety or right of peaceful enjoyment of the premises by other residents.
5. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
6. If the family currently owes rent or other amounts to VHDA or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act.
7. If the family has not reimbursed any Housing Authority for amounts paid to an owner under a Housing Assistance Payments Contract for rent, damages to the unit, or other amounts owed by the family under the lease.
8. If the family breaches an agreement with the Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an owner by a Housing Authority. (The Housing Authority, at its discretion, may offer a family the opportunity to enter into an Agreement to Repay amounts owed to VHDA or amounts paid to an owner by VHDA. VHDA will prescribe the terms of the agreement.)
9. If a family participating in the Family Self-Sufficiency (FSS) Program fails to comply, without good cause, with the family's FSS Contract of Participation.
10. If the family has engaged in or threatened abusive or violent behavior toward Administrative Agent or VHDA personnel.

C. DISCRETION TO CONSIDER CIRCUMSTANCES.

1. In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the Administrative Agent/VHDA have discretion to consider all of the circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.
2. The Administrative Agent or VHDA 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.

D. REQUIREMENT TO SIGN CONSENT FORMS.

The Administrative Agent and VHDA must deny or terminate assistance if any member of the family fails to sign and submit consent forms for obtaining information in accordance with 24 CFR Part 760 (wage and claim information from State Wage Information Collection Agencies) and 24 CFR Part 813 (Definition of Income, Rent and Reexamination of Family Income).

E. RESTRICTIONS ON ASSISTANCE TO NONCITIZENS.

The family must submit required evidence of citizenship or eligible immigration status. See Policy 457 for clarification on denial or terminating assistance because a family member does not establish citizenship or eligible immigration status, and the applicable informal hearing procedures. See Policy 459 for provisions on assistance for mixed families (families whose members include those with eligible immigration status, and those without eligible immigration status) instead of denial or termination of assistance, and for provisions on deferral of termination of assistance.

F. INFORMATION FOR A FAMILY.

The Administrative Agent must give the family a written description of :

- Family obligations under the program (Refer to Policy 542).
- The grounds on which VHDA or the Administrative Agent may deny or terminate assistance because of family action or failure to act, use form 8-545- 5 (Grounds for Denial or Termination of Assistance).
- VHDA informal hearing procedures (form 8-1041-1 for participants or form 8-1040-1 for applicants).

G. MANDATORY DENIAL OR TERMINATION OF ASSISTANCE.

u The Administrative Agent must terminate program assistance for a family evicted from housing assisted under the Housing Choice Voucher Program for serious violation of the lease.

u The Agent must prohibit admission to the program of an applicant for 3 years from the date of eviction if a household member has been evicted from federally assisted housing for drug-related criminal activity. However, the Agent may admit the household if it is determined:

- That the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the Agent or VHDA; OR
- That the circumstances leading to eviction no longer exist.
  EXAMPLE: The criminal household member has died or is imprisoned.

u The Agent must deny or terminate assistance if any household member has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing.

u The Agent must prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In the screening of applicants, the Agent must perform criminal history background checks necessary to determine whether

any household member is subject to a lifetime sex offender registration requirement in the State where the housing is located and in other States where the household members are known to have resided.

H. ELIGIBILITY TO REAPPLY FOR ASSISTANCE

Except as stated in section G above, the Administrative Agent may establish policy in their local Addendum to VHDA's Administrative Plan (subject to VHDA approval) to determine when a family is eligible to reapply for assistance.

1012: DENIAL OR TERMINATION OF ASSISTANCE FOR A FAMILY

EFFECTIVE DATE: July 1997

CRIME OR ALCOHOL ABUSE BY FAMILY MEMBERS.

(a) *At any time* (with proper notice) the Administrative Agent/VHDA may terminate assistance to a participant family if any member of the family:

(1) Commits drug-related criminal activity defined as:

- Drug-trafficking (The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)); or
- Illegal use, or possession for personal use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

(2) Commits violent criminal activity:

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

(3) Engages in abuse of alcohol that interferes with the health or safety of the other residents or their right to peaceful enjoyment of the premises.

(b) If termination is due to illegal use (or possession for personal use) of a controlled substance, such use or possession must have occurred within 1 year before the date the Administrative Agent/VHDA provides notice to the family of the determination to terminate assistance. The Administrative Agent/VHDA may not terminate assistance for such use or possession by a family member, if the family member can demonstrate that he or she:

(1) Has an addiction to a controlled substance, has a record of such an impairment, or is regarded as having such an impairment; and

(2) Is recovering, or has recovered from, such an addiction and does not currently use or possess controlled substances. The Administrative Agent/VHDA will require a family member who

has engaged in the illegal use of drugs to submit evidence of participation in, or successful completion of, a treatment program as a condition to being allowed to reside in the unit.

(c) If termination of assistance is due to alcohol abuse, the Administrative Agent/VHDA must determine that there is reasonable cause to believe that:

(1) any member of the family abuses alcohol in a way that may interfere with the health or safety of the other residents or their right to peaceful enjoyment of the premises; or

(2) any member of the family has a *pattern of abuse* of alcohol that may interfere with the health or safety of the other residents or their right to peaceful enjoyment of the premises.

If termination of assistance is due to alcohol abuse as stated in (c) above, the Administrative Agent/VHDA may waive policies prohibiting termination in these circumstances if the family member demonstrates to the satisfaction of the Administrative Agent/VHDA that the family member is no longer engaging in abuse of alcohol and:

- has successfully completed a supervised alcohol rehabilitation program; or
- has otherwise been rehabilitated successfully; or
- is participating in a supervised alcohol rehabilitation program.

The Administrative Agent/VHDA will require the family member to submit evidence of participation in, or successful completion of, a supervised alcohol rehabilitation program or other evidence that the family member has been rehabilitated successfully.

(d) *Evidence of criminal activity or alcohol abuse.* In determining whether to terminate assistance based on drug-related criminal activity, violent criminal activity or alcohol abuse, the Administrative Agent/VHDA may terminate assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested, convicted or charged with any activity.

Below are some conditions or circumstances related to termination of rental assistance to consider and apply:

1. The Administrate Agent/VHDA *will terminate housing assistance payments* that are being made on behalf of the *participant* under an outstanding HAP Contract if the participant has violated any family obligation(s) under the Program. One of the family obligations states

2. The Administrative Agent/VHDA will *refuse to issue* a Housing Choice Voucher/Moderate Rehabilitation/Project-Based Certificate subsidy to a participant to move to another unit, *refuse to approve a new lease*, or *refuse to execute a new Housing Choice Voucher Housing Assistance Payments Contract*, if a member of the family has engaged in drug-related criminal activity or violent criminal activity or has engaged in abuse of alcohol that interferes with the health or safety of the other residents or their right to peaceful enjoyment of the premises.

3. The Administrative Agent/VHDA shall have discretion to consider all of the circumstances in each case to determine the extent of participation by family members in the prescribed activity. In appropriate cases, the Administrative Agent/VHDA will permit the remaining members of the family to continue receiving assistance, and will impose a condition that family members determined to have engaged in the prescribed activities will not reside in the unit.

4. In order for VHDA to conduct an informal hearing, the Administrative Agent must forward to VHDA all documents and related information (Court Record Indictment, Court Record Conviction, newspaper articles, Administrative Agent correspondence, record of arrest(s), owner information, prior owner references, witness information, etc.).

DENIAL OR TERMINATION OF ASSISTANCE FOR CRIME OR ALCOHOL ABUSE BY FAMILY MEMBERS

At any time (with proper notice) the Administrative Agent/VHDA may deny program assistance for an applicant, or terminate assistance to a participant family if any member of the family:

(1) Commits drug-related criminal activity defined as:

- Drug-trafficking (The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)); or
- Illegal use, or possession for personal use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

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

(3) Engages in abuse of alcohol that interferes with the health or safety of the other residents or their right of peaceful enjoyment of the premises.

(A) If termination is due to illegal use, or possession for personal use of, a controlled substance, such use or possession must have occurred within one year before the date the Administrative Agent/VHDA provides notice to the family of the determination to deny or terminate assistance. The Administrative Agent/VHDA may not deny or terminate assistance for such use or possession by a family member, if the family member can demonstrate that he or she:

(B)

(1) Has an addiction to a controlled substance, has a record of such an impairment, or is regarded as having such an impairment; and

(2) Is recovering, or has recovered from, such an addiction and does not currently use or possess controlled substances. The Administrative Agent/VHDA will require a family member who has engaged in the illegal use of drugs to submit evidence of participation in, or successful completion of, a treatment program as a condition to being allowed to reside in the unit.

(B) If denial or termination of assistance is due to alcohol abuse, the Administrative Agent/VHDA must determine that there is reasonable cause to believe that:

1) any member of the family abuses alcohol in a way that may interfere with the health or safety of the other residents or their right to peaceful enjoyment of the premises; or

2) any member of the family has a *pattern of abuse* of alcohol that may interfere with the health or safety of the other residents or their right to peaceful enjoyment of the premises.

If denial or termination of assistance is due to alcohol abuse as stated in (B) above, the Administrative Agent/VHDA may waive policies prohibiting admission or termination in these circumstances if the family member demonstrates to the satisfaction of the Administrative Agent/VHDA that the family member is no longer engaging in abuse of alcohol and:

- has successfully completed a supervised alcohol rehabilitation program; or
- has otherwise been rehabilitated successfully; or
- is participating in a supervised alcohol rehabilitation program.

The Administrative Agent/VHDA will require the family member to submit evidence of participation in, or successful completion of, a supervised alcohol rehabilitation program or other evidence that the family member has been rehabilitated successfully.

(C) *Evidence of criminal activity or alcohol abuse.* In determining whether to deny or terminate assistance based on drug-related criminal activity, violent criminal activity or alcohol abuse, the Administrative Agent/VHDA may deny or terminate assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested, convicted or charged with any activity.

CHAPTER: TERMINATIONS

1013: TERMINATION: ZERO HAP

EFFECTIVE DATE: July 1996

The HAP Contract will automatically terminate after 180 calendar days have passed since the last housing assistance payment.

1014: TERMINATION: UNIT IS TOO BIG OR SMALL

EFFECTIVE DATE: July 1996

If the Administrative Agent determines that a unit does not meet the Housing Quality Standards space requirements because of an increase in family size (or a change in family composition) the Administrative Agent must issue the family a new Housing Choice Voucher. The family must try to find an acceptable unit as soon as possible.

If an acceptable unit is available for rental by the family, the Administrative Agent must terminate the Housing Assistance Payments Contract in accordance with its terms.

TERMINATION. When the Administrative Agent terminates the Housing Assistance Payments Contract in accordance with this policy:

1. The Administrative Agent must notify the family and the owner of the termination; and
2. The Housing Assistance Payments Contract terminates at the end of the calendar month that follows the calendar month in which the Administrative Agent gives such notice to the owner.
3. The family may move to a new unit in accordance with Policy 1015.

CHAPTER: TERMINATIONS

1015: TERMINATION: MOVE WITH CONTINUED TENANT-BASED ASSISTANCE

EFFECTIVE DATE: July 1996

(A) ***APPLICABILITY*****.** This section states when a participating family may move to a new unit with continued tenant-based assistance:

(B) ***WHEN FAMILY MAY MOVE***. A family may move to a new unit if:

(1) The assisted lease for the old unit has terminated. This includes a termination because:

(i) The Administrative Agent has terminated the Housing Assistance Payments Contract for the owner's breach; or

(ii) The lease has terminated by mutual agreement between the owner and the tenant.

(2) The owner has given the tenant 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 tenant.

(3) The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner, for owner breach or otherwise).

(C) ***HOW MANY MOVES***.

(1) A participating family may move 1 or more times with continued assistance under the program, either inside the local Administrative Agent's jurisdiction or under the portability procedures.

(i) VHDA's policy is not to allow a family to move during the initial year of the assisted occupancy; and

(ii) VHDA's policy will limit the number of moves to 1 move during any 1-year period.

(2) VHDA's policy applies to moves by participating families within VHDA's jurisdiction and moves outside VHDA's jurisdiction under portability procedures

(D) ***NOTICE THAT FAMILY WANTS TO MOVE***.

(1) If the family wants to move to a new unit, the family must notify the Administrative Agent and the owner before moving from the old unit. If the family wants to move to a new unit that is located outside the initial Administrative Agent's jurisdiction, the notice to the Agent must specify the area where the family wants to move. (Refer to Chapter 1400 for portability procedures).

(E) ***WHEN THE ADMINISTRATIVE AGENT MAY DENY PERMISSION TO MOVE***.

(1) The Administrative Agent may deny permission to move if there is not sufficient funding for continued assistance.

(2) At any time, the Administrative Agent may deny permission to move in accordance with Policy 1010.

1016: TERMINATION: INSUFFICIENT FUNDING

EFFECTIVE DATE: July 1996

VHDA may terminate the HAP Contract if VHDA determines, in accordance with HUD requirements, that funding is insufficient to support continued assistance for families in the program.

CHAPTER: TERMINATIONS

1018: TERMINATION: OWNER AND FAMILY RESPONSIBILITY

EFFECTIVE DATE: July 1996

MAINTENANCE: OWNER AND FAMILY RESPONSIBILITY: HOUSING AUTHORITY REMEDIES

OWNER OBLIGATION

1. The owner must maintain the unit in accordance with HUD's Housing Quality Standard (HQS).

2. If the owner fails to maintain the dwelling unit in accordance with HQS, the Administrative Agent must take prompt and vigorous action to enforce the owner obligations. Administrative Agent remedies for such breach of the HQS includes termination, suspension or reduction of housing assistance payments and termination of the Housing Assistance Payments Contract.

3. The VHDA/Administrative Agent must not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the Administrative Agent and the Administrative Agent verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any Administrative Agent approved extension).

4. The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible. (However, the Administrative Agent may terminate assistance to a family because of HQS breach caused by the family.)

FAMILY OBLIGATION

The family is responsible for a breach of the HQS that is caused by any of the following:

- The family fails to pay for any utilities that the owner is not required to pay, but are to be paid for by the tenant;

- The family fails to provide and maintain any appliances (range and refrigerator) that the owner is not required to provide, but which are to be provided by the tenant; or

- Any member of the household (or guest) damages the dwelling unit or premises (damages beyond ordinary wear and tear).

If a HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any Administrative Agent approved extension).

If the family has caused a breach of the HQS, the Administrative Agent must take prompt and vigorous action to enforce the family obligations. The Administrative Agent may terminate assistance for the family in accordance with Policy 1010.

1020: TERMINATION: OWNER BREACH OF CONTRACT

EFFECTIVE DATE: July 1996

Any of the following actions by the owner (including a principal or other interested party) is a breach of the Housing Assistance Payments Contract by the owner:

1. If the owner has violated any obligation under the Housing Assistance Payments Contract for the dwelling unit, including the owner's obligation to maintain the unit in accordance with the HQS.

2. If the owner has violated any obligation under any other Housing Assistance Payments Contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).

3. If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.

4. For projects with mortgages insured by HUD, or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan.

5. If the owner has engaged in drug trafficking.

The Housing Authority rights and remedies against the owner under the Housing Assistance Payments Contract include recovery of overpayments, abatement or other reduction of housing assistance payments and termination of the Housing Assistance Payments Contract.

1022: TERMINATION: OWNER BREACH OF CONTRACT – MODERATE REHABILITATION PROGRAM

EFFECTIVE DATE: July 1996

Should an owner evict an assisted family in violation of the Housing Assistance Payments Contract (or otherwise breach the Housing Assistance Payments Contract) and the Housing Assistance Payments Contract for the unit is terminated, and if the family was not at fault and is eligible for continued assistance, the family may continue to receive housing assistance through the conversion of the Moderate Rehabilitation unit allocation to a tenant-based unit. The family must then be treated as any certified family and must be issued a Housing Choice Voucher and assisted in finding a suitable replacement unit. The unit will then be considered a Housing Choice Voucher and follows the Program guidelines except that the term of any Housing Assistance Payments Contract may not extend beyond the term of the initial Moderate Rehabilitation Housing Assistance Payments Contract. If the family is determined ineligible for continued assistance, the Housing Choice Voucher may be offered to the next family on the waiting list.

VHDA determines if a Housing Assistance Payments Contract for a Moderate Rehabilitation unit is terminated.

1024: TERMINATION OF ASSISTANCE DUE TO MODERATE REHABILITATION HAP CONTRACT EXPIRATION

EFFECTIVE DATE: July 1996

One year prior to the expiration of the HAP Contract, the owner must notify all tenants of the expiration date of the HAP Contract. VHDA will alert the Administrative Agent and the owner of this one-year notification date. The following are a few issues to keep in mind as HAP Contracts expire:

- If the property was rehabilitated in stages, the 15-year term will expire in stages.
- Families will be issued a Housing Choice Voucher at least 60 days in advance of the expiration date.
- Families may continue to reside in the unit with tenant-based subsidy, but the unit is subject to the tenant-based program rules.
- VHDA will provide specific guidance as to the numbering of case files and the conversion of subsidy to tenant-based files as information on the new project numbers are made available from HUD.
- The Administrative Agent may allow the family and owner to enter into a lease with less than twelve months even though less than 1 year remains on the HAP Contract.

CHAPTER: TERMINATIONS

1026: TERMINATION OF HAP CONTRACT: EXPIRATION AND OPT-OUT

EFFECTIVE DATE: January 1997

Definitions. The following terms are defined for purposes of this section:

- *Termination.* Termination of the Housing Assistance Payments Contract because of:

    1. Owner opt-out; or

    2. Expiration of the Housing Assistance Payments Contract.

- *For the Housing Choice Voucher Program, "owner opt-out"* means the owner's decision to terminate tenancy of an assisted family for "other good cause" that is a business or economic reason for termination of tenancy.

- *For the Project-based Certificate and Moderate Rehabilitation Programs*, the owner has no contractual ability to opt-out of the Housing Assistance Payments Contract.

- *Expiration for the Housing Choice Voucher Program:* "Expiration" means the occurrence of either of the following events:

    a) Automatic termination of the Housing Assistance Payments Contract when 180 calendar days have passed since the last housing assistance payment.

    b) VHDA determination, in accordance with HUD requirements, that the Housing Assistance Payments Contract must be terminated because there is insufficient funding to support continued assistance for families in the program.

    - For the Moderate Rehabilitation and Project-based Certificate Programs, "expiration" means the end of the Housing Assistance Payments Contract.

OWNER TERMINATION NOTICE FOR MODERATE REHABILITATION

Not less than one year before a termination of a project-based Moderate Rehabilitation Housing Assistance Payments Contract because of an opt-out or expiration, the owner must provide written notice of the termination to the HUD field office, the Housing Authority and the family. The owner's notice must specify the

reasons for the termination. The notice must contain sufficient detail to enable the HUD field office to evaluate whether the termination is lawful and whether there are additional actions that can be taken by HUD to avoid the termination. The owner's notice must state that the owner and the Housing Authority may agree to a renewal of the Housing Assistance Payments Contract, thus avoiding the termination. The owner's notice must give the tenant written notice of HUD's decision within 30 calendar days after the owner receives HUD's finding.

HUD REVIEW OF OWNER TERMINATION NOTICE.

A. The HUD field office must review the owner's notice, and consider whether there are additional actions that should be taken to avoid the termination.

B. The HUD field office will issue a written finding of the legality of the Housing Assistance Payments Contract termination and the reasons for the termination as stated in the owner's notice, including any actions taken to avoid the termination. Within 30 calendar days of HUD's finding, the owner must provide written notice of HUD's decision to the family.

C. The owner may proceed with eviction whether the HUD field office approves or disapproves, or fails to complete the required review of the owner notice.

CHAPTER: TERMINATIONS

1040: CONDUCTING INFORMAL REVIEWS FOR APPLICANTS

EFFECTIVE DATE: July 1996

NOTICE TO APPLICANT

The Administrative Agent must give an applicant for participation prompt notice of a decision denying assistance to the applicant. The notice must contain a brief statement of the reason(s) for the Administrative Agent's decision (e.g., denying listing on the waiting list, denying issuance of a Housing Voucher, denying participation in the Program, denial of any local preference(s), etc.). The notice must also state that the applicant may request an informal review of the decision, and must describe how to obtain the informal review. All notices must include the Informal Review for Applicants (8-1040-1) that describes the procedures for conducting the review and informs the applicant how to obtain or request an informal review.

INFORMAL REVIEW PROCESS

The Administrative Agent must give an applicant an opportunity for an informal review of the Administrative Agent's decision denying assistance to the applicant. The Administrative Agent review procedures must comply with the following:

- An applicant must be notified in writing by the Administrative Agent of the decision and the reason for the denial. The letter must reference and include a copy of the form 8-1040-1.

- The letter will state that the applicant may request the review within 10 calendar days from the date of the letter by contacting the Administrative Agent.

- The Administrative Agent will conduct the informal review. There will be no further review by VHDA

- Applicants who fail to respond within the prescribed time limits to request a review, waive all rights to a review.

- The review may be conducted by any person or persons designated by the Administrative Agent, other than a person who made or approved the decision under review or a subordinate of this person.

- The applicant must be given an opportunity to present written or oral objections to the Administrative Agent decision.

- The written decision must be mailed to the family within 14 calendar days of the review date.

WHEN AN INFORMAL REVIEW IS NOT REQUIRED

The Administrative Agent is not required to provide the applicant an opportunity for an informal review for any of the following:

- Discretionary administrative determinations by the Administrative Agent.
- General policy issues or class grievances.
- A determination of the family unit size under the Subsidy Standards.
- An Administrative Agent's determination not to approve an extension or suspension of a Housing Choice Voucher term.
- An Administrative Agent's determination not to grant approval to lease a unit under the program, or to approve a proposed lease.
- An Administrative Agent's determination that a unit selected by the applicant is not in compliance with HQS.
- An Administrative Agent's determination that the unit is not in accordance with Housing Quality Standards because of the family size or composition.

RESTRICTIONS ON ASSISTANCE FOR NONCITIZENS

The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in Policy 457.

CHAPTER: TERMINATIONS

1041: CONDUCTING INFORMAL HEARINGS FOR PARTICIPANTS

EFFECTIVE DATE: July 1996

WHEN INFORMAL HEARINGS FOR PARTICIPANTS ARE REQUIRED

The Administrative Agent must give a participating family an opportunity for an informal hearing to consider whether the following decisions relating to the individual circumstances of a particular family are in accordance with the law, HUD regulations and VHDA policies:

1. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.

2. A determination of the appropriate Utility Allowance (if any) for family-paid utilities from the VHDA Utility Allowance Schedule.

3. A determination of the family unit size under the Subsidy Standards.

4. A determination to terminate assistance for a participant family because of the family's action or failure to act under Policy 1010.

5. A determination to terminate assistance because the participating family has been absent form the assisted unit for longer than the maximum period permitted under VHDA Policy and HUD regulations.

In the cases described in items (4) and (5) above, the Administrative Agent must give the family the opportunity for an informal hearing before the Administrative Agent terminates housing assistance for the family under an outstanding Housing Assistance Payments Contract.

WHEN AN INFORMAL HEARING IS NOT REQUIRED

The Administrative Agent is not required to provide a participating family an opportunity for an informal hearing for any of the following:

- Discretionary administrative determinations.

- General policy issues or class grievances.

- Establishment of the Schedule of Utility Allowances for families in the program.

- A determination not to approve an extension or suspension of a Housing Choice Voucher term.

- A determination not to approve a unit or lease.

- A determination that an assisted unit is not in compliance with HQS. (However, the Administrative Agent must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the Housing Quality Standards caused by the family).

- A determination that the unit is not in accordance with Housing Quality Standards because of the family size.

- A determination to exercise (or not to exercise) any right or remedy against the owner under a Housing Assistance Payments Contract.

NOTICE TO THE FAMILY

In the cases described in items (1), (2), and (3) above, the Administrative Agent must notify the family that the family may ask for an explanation of the basis of the Administrative Agent's determination. If the family does not agree with the determination, the family may request an informal hearing on the decision.

In the cases described in items (4) and (5) above, the Administrative Agent must give the family prompt written notice that the family may request a hearing. The notice must:

- Contain a brief statement of the reason(s) for the decision; and

- Cite the applicable law, regulation, or policy that was violated; and

- State that if the family does not agree with the decision, the family may request an informal hearing on the decision; and

- State the family has 10 calendar days from the date of the letter to request an informal hearing.

EXPEDITIOUS HEARING PROCESS

When a hearing for a participating family is required under this section, the Administrative Agent must proceed with the hearing in a reasonably expeditious manner upon the request of the family. The hearing is to be scheduled within 30 calendar days of the request, unless circumstances delay meeting this timeframe.

EXAMINATION OF PROGRAM DOCUMENTS BY FAMILY

The family must be given the opportunity to examine before the hearing any Administrative Agent/VHDA document(s) that are directly relevant to the hearing. The family must be allowed to copy any such document(s) at the family's expense. If the Administrative Agent does not make the document(s) available for examination on request of the family, the Administrative Agent/VHDA may not rely on the document(s) at the hearing.

EXAMINATION OF PROGRAM DOCUMENTS BY ADMINISTRATIVE AGENT/VHDA

The Administrative Agent/VHDA must be given the opportunity to examine at the Administrative Agent/VHDA offices before the hearing any family documents that are directly relevant to the hearing. The Administrative Agent/VHDA must be allowed to copy any document at the Administrative Agent/VHDA's expense. If the family does not make the document available for examination on the request of the Administrative Agent/VHDA, the family may not rely on the document at the hearing.

DOCUMENTS: The term "documents" includes records and regulations.

REPRESENTATION OF FAMILY: at its own expense, a lawyer or other representative may represent the family.

HEARING OFFICER: APPOINTMENT AND AUTHORITY

The hearing may be conducted by any person or persons designated by the Administrative Agent/VHDA, other than a person who made or approved the decision under review or a subordinate of this person. The person who conducts the hearing may regulate the conduct of the hearing in accordance with the Administrative Agent's/VHDA's hearing procedures.

VHDA will only answer general questions on policy so that VHDA representative may serve as the Hearing Officer. If the VHDA representative was directly involved in making the decision to terminate benefits, then that VHDA representative can not serve as the Hearing Officer. Also, the VHDA Hearing Officer cannot be another VHDA representative that was consulted on the specific case. In localities where the Administrative Agent conducts informal hearings for participants, the person who made/approved the decision or who wrote/signed the letter to terminate benefits cannot serve as the Hearing Officer. The Hearing Officer in a locality cannot be a subordinate of the decision-maker.

EVIDENCE

The Administrative Agent/VHDA and the family must be given the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial

proceedings. Any information or evidence can be admitted during the hearing--all evidence is admissible.

ISSUANCE OF DECISION

The person who conducts the hearing must have a written decision, stating briefly the reason(s) for the decision. Factual determinations relating to the individual circumstances of family shall be based on a preponderance of evidence presented at the hearing. A copy of the hearing decision must be furnished within 14 calendar days of the hearing to the family. The Hearing Officer's decision is final with no further recourse through VHDA.

EFFECT OF DECISION. VHDA and the Administrative Agent are not bound by a hearing decision:

a) Concerning a matter for which the Administrative Agent/VHDA is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the person conducting the Administrative Agent/VHDA hearing procedures.

b) Contrary to HUD regulations or requirements, or otherwise contrary to Federal, state or local laws.

c) If the Administrative Agent/VHDA determines that it is not bound by a hearing decision, the Administrative Agent/VHDA must promptly notify the family of the determination, and of the reason(s) for the determination.

RESTRICTIONS ON ASSISTANCE FOR NONCITIZENS. The informal hearing provisions for the denial of assistance on the basis of ineligible immigration status are contained in Policy 457.

GENERAL PROCEDURES

A. Families must request the hearing in writing. The request for the hearing is made directly to the local Administrative Agent.

B. Participants who allow the 10-calendar days period to pass, and have not requested a hearing, waive all rights to a hearing.

C. The Hearing Officer reserves the right to cancel the hearing before the scheduled time if circumstances warrant such a cancellation. The Hearing Officer can decide to reschedule for a later date depending on the reason(s) for the cancellation.

D. Participants that schedule a hearing and fail to be present waive all rights to schedule another hearing.

E. If the family does not arrive within 30 minutes of the scheduled appointment time, the hearing shall be canceled and the record noted accordingly.

F. Each person in attendance will have his or her name recorded on the Informal Hearing Attendance Record (8-1041-3).

G. Witnesses will not be present except when called to the hearing at the appropriate time to present their information.

H. The hearing will be conducted by a telephone conference call unless circumstances dictate otherwise. It is recommended that the hearing be taped to assist in the final disposition of the case. The taping of hearings is at the discretion of the Hearing Officer. Telephone hearings will not be taped.

I. VHDA expects the Administrative Agent to make the decisions on terminations and to create the termination letters. VHDA will only answer general questions on policy, therefore a VHDA representative may serve as the Hearing Officer. If the VHDA representative was directly involved in making the decision to terminate benefits, that VHDA representative can not serve as the Hearing Officer. Also, the VHDA Hearing Officer cannot be another VHDA representative who was consulted on the specific case. In localities where the Administrative Agent conducts informal hearings for participants, the person who made/approved the decision or who wrote/signed the letter to terminate benefits cannot serve as the Hearing Officer. The Hearing Officer in a locality cannot be a subordinate of the decision-maker.

J. VHDA does not provide sample letters that cover the situations that require informal hearings. The Administrative Agent must create the letters depending on the specific conditions of the case. The letters should explain the circumstances that brought about the actions by the Administrative Agent with enough specificity for the family to prepare a defense, and then include the following statement when an informal hearing is required:

> "You have 10 calendar days from the date of this letter to request IN WRITING an informal hearing. Enclosed are the Informal Hearing Procedures for Participants (8-1041-1). Please be advised that if you do not request an informal hearing IN WRITING as advised you waive your right for an informal hearing. You have the right at your expense, to be represented by a lawyer or other representative."

CHAPTER 1100: OWNER CLAIMS

CHAPTER: OWNER CLAIMS

1112: VACANCY- MODERATE REHABILITATION AND PROJECT-BASED CERTIFICATE PROGRAMS

EFFECTIVE DATE: August 1997

VACANCY CLAIMS

Maximum Moderate Rehabilitation and Project-based Vacancy Liability: 80% of the Contract Rent for a vacancy period not to exceed 1 additional month or the termination of the lease, whichever comes first (assuming the unit is not re-rented) provided the conditions below are met.

1. A mutual agreement between the owner and the family to dissolve the lease does not affect the Moderate Rehabilitation and Project-Based Certificate Programs, therefore, a vacancy claim can be processed.

2. The family does not need to vacate the unit in violation of the lease nor does the lease termination have any effect on the payment of a vacancy claim.

3. The owner has complied with the program requirements, HAP Contract, lease and applicable state and local laws regarding termination of tenancy; attach a copy of the owner's termination notice(s); the owner is not eligible for vacancy loss claims if the vacancy is a result of the owner's violation of the lease and/or HAP Contract.

4. The owner has notified the Administrative Agent of the vacancy (or prospective vacancy) as soon as the owner learns of the vacancy.

5. The owner has taken all feasible actions to fill the vacancy including, but not limited to:
    - requesting the Administrative Agent and other appropriate sources to refer all eligible applicants;
    - advertising the availability of the unit; and
    - not rejecting any eligible applicant, except for good cause

6. If the owner collects any of the family's share of the rent for the vacancy period, the vacancy payment must be reduced to an amount which when added to the family's payment does not exceed 80% of the Contract Rent for the time period allowed. Any such excess must be reimbursed by the owner to VHDA, if not included on Line 26 of the claim form. Additionally, if the owner is entitled to payments from sources other than the family for the vacancy period (such as payment for losses incurred for holding units vacant for relocatees pursuant to Title I of the Housing and Community Development Act, payment from insurance settlement, etc.) the amount of the payment should be listed on Line 26; and, if not listed must be reimbursed to VHDA.

7. The vacancy period has ended.

8. The claim form is submitted to VHDA within 90 calendar days after the move-out has occurred.

9. If a family does not move into a unit after signing all of the required documents and having such submitted and approved by VHDA, the owner may not receive the HAP payment for the 1st month, but instead may file for vacancy loss instead.

10. If a family moves out without notifying the owner or the Administrative Agent, the move-out/termination date will have to be considered the date that the owner discovered the move, or the last day of the month the family moved-out, whichever is earlier.

11. If death occurs on behalf of a participating family who is the sole occupant of the unit, the termination date will be: (1) the end of the month in which the family died (if the family's belongings are removed), or (2) no later than the end of the month following the month of death to allow for the removal of the family's belongings.

12. Owners may not submit vacancy loss claims until the unit has been reoccupied by the next family, or the 30 calendar days period has elapsed, whichever occurs first.

13. The vacancy period does not automatically start on the day after the family vacates the unit. The owner must make the unit ready for occupancy (i.e., make repairs, paint etc.), and the turnover period could alter the date that the unit is available for occupancy.

CHAPTER: OWNER CLAIMS

1114: UNPAID RENT AND TENANT DAMAGES

EFFECTIVE DATE: June 2001

As of October 1, 2001, all Section 8 Certificates and Vouchers would have been converted to Housing Choice Vouchers, and new HAP contracts would have been executed. Under the Housing Choice Voucher HAP contract, there is no provision for payments to owners for unpaid rent and tenant damages. The following policy applies only to:

- Owner claims made under Moderate Rehabilitation and Project-Based Certificate HAP contracts

DAMAGE AND UNPAID RENT CLAIMS

Project-Based Certificate and Moderate Rehabilitation Maximum Liability: the lesser of the amount owed the owner or 2 month's Contract Rent minus the security deposit the owner actually collected, or could have collected. If the owner failed to collect a security deposit, the liability is reduced by the amount the owner could have collected.

CHAPTER: OWNER CLAIMS

1118: SECURITY DEPOSIT PROVISIONS

EFFECTIVE DATE: June 2000

Owners are permitted to collect a security deposit from the participant comparable to the security deposit collected from unassisted tenants.

The Owner shall comply with all State and local laws regarding interest and disposition of the security deposit per the Virginia Residential Landlord and Tenant Act.

CHAPTER: OWNER CLAIMS

1120: COMPLETION OF CLAIM FORMS

EFFECTIVE DATE: December 1997

Owner claims must be processed in accordance with the policies in this chapter. The Administrative Agent will complete the form entitled Owner Claim for Vacancy, Unpaid Rent and Damages - - (8-MR1120-1/8-MR1120-1B), if an owner wishes to file a claim.

The sample forms are not required forms, but can be copied from the manual for the owner for ease of itemization of charges. The sample forms are not on the Requisition for Forms. If the Administrative Agent needs a copy of the form, please contact VHDA. The owner is to submit documentation of charges in a format that supports the amount of the claim.

After completion, the Administrative Agent will review the form for completeness and accuracy and complete the signature section for submission to VHDA.

After VHDA approval of the claim, the Administrative Agent must complete the appropriate letter in Policy 1140 to notify the family of the claim.

SAMPLE FORM -- DAMAGE CLAIM CHARGES
(For Moderate Rehabilitation or Project-Based Certificate Programs Only)

ITEMIZED LIST OF CHARGES			ADMIN AGENT/VHDA APPROVED COSTS		
ITEM	COST OF MATERIALS	COST OF LABOR	MATERIALS	LABOR	TOTAL
TOTALS					

TOTAL AMOUNT APPROVED: $

SAMPLE FORM -- UNPAID RENT/SECURITY DEPOSIT WORKSHEET
(For Moderate Rehabilitation or Project-Based Certificate Programs Only)

MOVE-OUT DATE:_____ DATE PAYMENTS TERMINATED: _____

PART I: TENANT UNPAID RENT

	AMOUNT
TENANT RENT FOR MONTH OF:_____	$ _____
LATE FEE	_____
COURT COST	_____
TENANT RENT FOR MONTH OF:_____	$ _____
LATE FEE	_____
COURT COST	_____
TENANT RENT FOR MONTH OF:_____	$ _____
LATE FEE	_____
COURT COST	_____
TENANT RENT FOR MONTH OF:_____	$ _____
LATE FEE	_____
COURT COST	_____
EVICTION FEE	_____
TOTAL UNPAID TENANT RENT	$ _____

PART II: ITEMIZE OTHER UNPAID RENT CHARGES

_____	$ _____
_____	_____
_____	_____
TOTAL OTHER CHARGES	$ _____

PART III: SECURITY DEPOSIT CALCULATION

SECURITY DEPOSIT	$ _____
INTEREST ON SECURITY DEPOSIT	_____
TOTAL SECURITY DEPOSIT	$ _____

CHAPTER: OWNER CLAIMS

1140: NOTIFICATION TO FAMILY REGARDING RECEIPT OF A CLAIM

EFFECTIVE DATE: August 1997

It is the Administrative Agent's responsibility to send written notification to families on whom claims have been approved.

The Sample Letter (Notice To Family Regarding Approval of Owner Claim - For A Family Currently Under Lease) will be used for this purpose. This letter indicates a family is currently receiving assistance, and will be required to repay the amount in order to continue receiving assistance. The family must repay the amount in full at least 60 calendar days prior to their scheduled annual recertification date. If the family requests tenant-based rental assistance to move to another unit, or requests approval on a new Moderate Rehabilitation unit, or the Administrative Agent takes administrative action to terminate the HAP Contract, subsidy will not be permitted in the new unit until the debt is paid in full. In this case, VHDA will not offer a participant the opportunity to set up a repayment agreement. The participant must pay the debt in full if they wish to relocate with continued tenant-based rental assistance.

In cases where the family is not currently under lease, the Sample Letter (Notice to the Family Regarding Approval of Owner Claim - Family Not Under Lease) is mailed to the family at their last known address. This letter indicates a family will not receive future subsidy of any kind unless the debt is paid in full. VHDA will not offer an applicant the opportunity to set up a repayment agreement. The applicant must repay the debt in full before an Administrative Agent may place the family on the Waiting List and/or admit the applicant into the Program.

Refer to Policy 1144 for cases where an owner does not file for a claim, but the family damages the unit.

SAMPLE LETTER

NOTICE TO FAMILY REGARDING APPROVAL OF OWNER CLAIMS FOR A FAMILY CURRENTLY UNDER LEASE

FAMILY NAME
ADDRESS

RE: UNIT ADDRESS

Dear :

Our office has approved payment of eligible expenses for damages, unpaid rent and/or vacancy loss for the above unit. You will be required to reimburse VHDA (enter amount) by (at least 60 calendar days before the next scheduled annual recertification date). Your assistance may continue in your present unit but you must pay the above amount no later than _____ in order to continue to receive assistance after _____. VHDA will not enter into a Repayment Agreement for this debt. Your current landlord is copied so that they are aware of a pending termination of the contract should you fail to repay the debt. The amount of the claim does not release you from any other liabilities incurred during your tenancy for the unit in which a claim was paid.

Please contact this office should you have questions concerning this matter.

Thank you for your cooperation.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

cc: File
Owner

SAMPLE LETTER

NOTICE TO FAMILY REGARDING APPROVAL OF OWNER CLAIMS FOR A FAMILY NOT CURRENTLY UNDER LEASE

FAMILY NAME
ADDRESS

RE: UNIT ADDRESS

Dear :

Our office has approved payment of eligible expenses for tenant damages, unpaid rent and/or vacancy loss for the above unit. You will be required to reimburse VHDA $_____. Future participation in another Section 8 or public housing assistance program under the 1937 Act will not be permitted until the debt is paid. The amount of the claim does not release you from any other liabilities incurred during your tenancy for the unit above.

Please contact this office should you have questions concerning this matter.

Thank you for your cooperation.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

cc: File

CHAPTER: OWNER CLAIMS

1141: PLACING FAMILIES ON INACTIVE STATUS BECAUSE OF CLAIMS

EFFECTIVE DATE: August 1997

Families for whom claims have been paid must be tagged in some way on their Master Cross Reference Card (8-411-1) or an alternate method. This tag indicates that VHDA paid a claim and will be referred to as placing the family on Inactive Status. Also on the claim form is a section that indicates the Inactive Status of the family.

In the Moderate Rehabilitation and Project-Based Certificate Programs, the owner may file for vacancy loss even if the family did not violate the lease. In these cases, the family will not be held accountable for the claim. The claim form **would not** indicate that the family was placed on Inactive Status.

CHAPTER: OWNER CLAIMS

1142: CLAIMS: REPAYMENT AGREEMENTS AND THE ISSUE OF RECEIVING ASSISTANCE

EFFECTIVE DATE: August 1997

VHDA has made the administrative decision allowed by the regulations that they **WILL NOT** offer a family the opportunity to enter into a Repayment Agreement in the following situations:

1. If a family currently owes rent or other amounts to VHDA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act. The family must pay the debt in full and/or provide documentation that the debt has been satisfied. A Repayment Agreement will not be executed. VHDA will not admit an applicant into the Program or place them on the Waiting List without the debt being cleared or satisfied with VHDA or housing entity.

2. If a family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, tenant damages to the unit, or other amounts owed by the family under the lease, VHDA *at any time* may deny program assistance for an applicant or terminate program assistance for a participant. VHDA will not execute Repayment Agreements for amounts owed.

3. If a participant requests their subsidy be moved to another unit no Repayment Agreement will be executed. A family must pay the debt in full as assistance will not be permitted in another unit. In addition, a participant may be subject to termination.

4. If VHDA/Administrative Agent decides to terminate a HAP Contract for administrative reasons (e.g., if an owner fails to maintain a unit in compliance with HQS and the VHDA/Administrative Agent proceeds with HAP Contract termination), the participant WILL NOT be offered another form of subsidy to relocate due to the outstanding claim or if it is documented that the family damaged the unit and/or premises. In this case, the participant must repay the debt in full in order to have another form of subsidy made available to them.

Sample letters are included to assist in preparing correspondence.

SAMPLE LETTER

NOTICE OF DENIAL DUE TO A DEBT OR UNIT DAMAGES

Family Name
Address

Dear :

According to the information we received on your Preliminary Application Card and/or that we obtained from other sources, your family cannot be approved at this time for participation in the Program or be placed on the Waiting List. You currently owe (Enter the name of the PHA. housing entity or owner) for amounts paid for vacancy, tenant damages, unpaid rent or other amounts totaling (Enter the amount of the debt) or documentation exists that you (or your guests) damaged prior unit(s).

VHDA does not allow families with outstanding debts or has caused tenant damages to units to be assisted or placed on the Waiting List. If you feel this decision could be reversed based on documentation you have available, you may request an informal hearing IN WRITING within 10 calendar days from the date of this letter. Failure to request an informal hearing IN WRITING by the date stated above means you waive your right to request or have an informal hearing.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

cc: File

SAMPLE LETTER

DENIAL OF REQUEST TO RELOCATE DUE TO A DEBT OR UNIT DAMAGES

Family Name
Address

Dear :

According to our records your family cannot be approved at this time to move from your current unit and/or continue to receive housing assistance. You currently owe (Enter the name of the HA, housing entity or owner) for amounts paid for vacancy, damages, unpaid rent, or other amounts for a total of (Enter the amount of the debt); or documentation exists that you and/or your guests damaged a residence.

VHDA does not allow families who have outstanding debts or who have damaged units to be assisted in a new unit.

You have 10 calendar days from the date of this letter to request IN WRITING an informal hearing. Failure to request an informal hearing IN WRITING by the date stated above means you waive your right to request or have an informal hearing.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

cc: File

SAMPLE LETTER

TERMINATION OF ASSISTANCE DUE TO A DEBT OR UNIT DAMAGES

Family Name
Address

Dear:

We regret to inform you that your assistance will terminate (insert at least 60 calendar days before the next scheduled annual recertification date of the family). You currently owe (Enter the name of the HA, housing entity or owner for amounts paid for vacancy, damages, unpaid rent, or other amounts or a totaling (enter the amount of the debt); or damaged a unit in which you resided.

You have 10 calendar days from the date of this letter to request IN WRITING an informal hearing. Failure to request an informal hearing IN WRITING by the date stated above means you waive your right to request or have an informal hearing.

Sincerely,

_____
Administrative Agent
Housing Choice Voucher Program

cc: File

CHAPTER: OWNER CLAIMS

1144: INFORMATION PROVIDED TO OTHER PUBLIC HOUSING AUTHORITIES REGARDING CLAIMS AND DEBTS

EFFECTIVE DATE: August 1997

VHDA will provide the following information to other Public Housing Agencies or administrators of any other program governed by the 1937 Housing Act:

1. Information regarding the family currently owing rent or other amounts to VHDA or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act.

2. Information regarding the family not reimbursing any Public Housing Authority or VHDA for amounts paid to an owner under a Housing Assistance Payments Contract for rent, tenant damages to the unit, or other amounts owed by the family under the lease.

3. Information regarding the family breaching an agreement with a Public Housing Authority or VHDA to pay amounts owed to a Public Housing Authority or VHDA, or amounts paid to an owner by another Public Housing Authority or VHDA. VHDA, at its discretion, may offer a family the opportunity to enter into an Agreement to Repay amounts owed to VHDA, or amounts paid to an owner by VHDA. VHDA will prescribe the terms of the agreement.

4. Information on any debt/damages VHDA has knowledge of regarding the family in any program governed by the 1937 Housing Act.

CHAPTER 1200: SPECIAL PROBLEMS WITH OWNERS AND FAMILIES

1210: CHECK PROBLEMS

EFFECTIVE DATE: January 1991

The Administrative Agent must notify VHDA immediately after learning of any problems regarding Housing Assistance Payments and Utility Reimbursement checks. Policies 1211 through 1215 explain the procedures to be followed for each type of problem.

1211: FAILURE OF OWNER TO RECEIVE HAP PAYMENT

EFFECTIVE DATE: January 1991

An Owner who reports the monthly HAP check has not been received will be required to sign a notarized affidavit if the bank states the HAP check has cleared the bank. The affidavit states that the HAP check has not been received or cashed. The replacement check will be issued within 30 calendar days after the signed affidavit has been received by VHDA's Accounting Department.

In regards to the 1st of the month mailing of HAP checks, no action to reissue the check will be taken until after the 10th of the month to make sure that the delay is not due to mail delivery. The Administrative Agent should have the Owner check with the Postmaster and mail carrier in the locality before reporting a lost check to VHDA.

In cases where a HAP check has not cleared the bank, VHDA will usually reissue a check within 15 working days.

1212: FAILURE OF FAMILY TO RECEIVE UTILITY REIMBURSEMENT PAYMENT

EFFECTIVE DATE: January 1991

A Family who reports the monthly Utility Reimbursement Payment (URP) check has not been received will be required to sign a notarized affidavit if the bank states the URP check has cleared the bank. The affidavit states that the URP check has not been received or cashed. The replacement check will be issued within 30 calendar days after the signed affidavit has been received by VHDA's Accounting Department.

In regards to the 1st of the month mailing of URP checks, no action to reissue the check will be taken until after the 10th of the month to make sure that the delay is not due to mail delivery. The Administrative Agent should have the Family check with the Postmaster and mail carrier in their locality before reporting a lost check to VHDA.

In cases where an URP check has not cleared the bank, VHDA will usually reissue a check within 15 working days.

1213: REISSUANCE OF STALE-DATED CHECKS TO OWNERS

EFFECTIVE DATE: January 1991

Owners that require reissuance of stale-dated (void after 60 days) HAP checks will be charged a reissuance fee of $15.00. The fee will be deducted from the replacement check.

1214: NOTIFYING VHDA OF OWNER/FAMILY NAME/ADDRESS CORRECTIONS

EFFECTIVE DATE: January 1991

Whenever Owner/Family name and address changes/corrections need to be made, the Administrative Agent must notify VHDA by submitting the form 8-671-1.

1215: NOTIFYING OWNERS & FAMILIES OF LATE CHECKS

EFFECTIVE DATE: January 1991

If due to processing delays by the Administrative Agent, an Owner's or Family's check will be generated during the next payment period, the Administrative Agent must notify the Owner and/or Family of the lateness of the check(s).

1220: PROGRAM OMISSIONS OR ERRORS

EFFECTIVE DATE: January 2002

If unintentional omissions or errors are found that affect a Family's share of rent, the Family or Owner may be required to reimburse VHDA all excess benefits received because of the unintentional omission or error.

If the error was due to the Administrative Agent's or VHDA's actions, the Family can not be required to reimburse any excess amounts received under such circumstances. The excess assistance amount unreimbursable by the Family can be charged to the Administrative Agent's fee if the Administrative Agent or VHDA caused the error as determined by VHDA.

If a Family was required to pay too much, VHDA will reimburse the difference and obtain further reimbursement from the Owner as applicable. In cases where the Family is required to repay, the Family will be given the opportunity to sign an Agreement to Repay (8-1220-1) as determined by VHDA.

If an Owner is required to repay VHDA, a deduction will be made from future HAP checks to cover the amount owed or the Owner can be barred from future participation in the Program as determined by VHDA.

Once a decision is made by VHDA as to the validity of the error, a revision must be processed to correct the payments by the completion of the 8-900-1/8-MR900-1, as soon as administratively possible with proper notice.

1221: PROGRAM ABUSE

EFFECTIVE DATE: January 1991

Procedures for **intentional** Program abuse:

1. The Administrative Agent will notify VHDA of the potential abuse, in writing, with the following:

    - Name/address and LCN of Family and/or Owner involved
    - A SYNOPSIS of the alleged misrepresentation or abuse
    - Attach VERIFICATIONS, NOTARIZED STATEMENTS, CORRECTED HUD-50058s
    - Clearly state the PERIOD OF TIME the violation occurred, and indicate the AMOUNT OR OVERPAYMENT made for the period
    - State the Applicant/Participant/Owner RESPONSE to the charge, if any
    - Administrative Agent's RECOMMENDATION/COMMENTS (i.e., terminate, allow to repay, etc.)
    - Copy of letters pertaining to case

2. VHDA reviews the information submitted, and sends a letter to the Family or Owner (whichever is applicable), notifying them of the potential abuse, and requests them to document the validity of the accusation. The Administrative Agent may perform this contact on behalf VHDA.

3. All cases must be discussed with VHDA at this point. If deemed necessary, the VHDA will confer with the Regional Inspector General for Investigation (RIGI) and discuss whether or not the case should be referred for investigation/prosecution. If the office of the RIGI accepts the case, VHDA will prepare the complete case, which will be sent to the RIGI with a transmittal letter. A copy will also be sent to the appropriate HUD area office.

4. **Intentional** program abuse by the Family may fall into one or more of the categories listed below:

    A. Ineligibility

    If the Family was ineligible at the time they applied (or because of subsequent ineligibility) a 30 calendar days termination notice must be

sent to the Family with a copy to the Owner, giving the Family the right to request an informal hearing within 10 calendar days from the date of the notice. Additionally, the letter must request that the Family repay any excess benefits received, stating they will be placed on Inactive Status until all amounts owed are repaid. Future participation will not be allowed until all amounts are repaid.

B. Overpayment because of discrepancies in information

If the Family received excess benefits brought about by discrepancies in information provided by the Family, they must be terminated for a period of time commensurate with the seriousness of the offense (in most cases the length of time the fraud was committed) as determined VHDA, as well as being required to pay back the amount of excess benefits received. A letter must be sent to the Family notifying them that they will be terminated for a specified term, of the reasons for the termination, of the amount of money they must repay, that they will be placed on Inactive Status until the amounts owed are repaid, and that they may request an informal hearing within 10 calendar days of the date of the letter.

C. Misleading information concerning Family composition

If misleading information concerning the Family composition was provided by the Family, and it resulted in an overcrowded or under-occupied situation, the Family must be issued the correct Housing Choice Voucher size allowing them 60 calendar days **(no extension(s) allowed)** to locate other housing. A letter must be sent to the Owner simultaneously, providing notification that the HAP Contract will be terminated, giving at least 30 calendar days notice, and stating the reasons for such termination. If the Family is unable to locate another acceptable unit within the 60-calendar days period, assistance will be terminated.

D. If a particular Family has committed a serious abuse against the Program that is determined to be **intentional**, or if a number of **intentional** abuses have been committed by one Family, the Family's future participation in the Program may be restricted, or permanently barred as determined by VHDA.

5. If the Owner **intentionally** abuses the Program, VHDA will identify the following areas and act accordingly:

A. If the Owner required the Family to make side payments, the Owner must be notified that he/she must immediately cease collecting these payments and must be required to repay the Family through VHDA. If the Owner does not repay the Family as directed, the HAP Contract must either be terminated or payments abated. A Housing Choice Voucher must be issued to the Family allowing them to move as soon as possible. Deductions may be made to future HAP payments to offset the amounts owed.

B. If an Owner received payments for claims submitted with false information, the amount paid to the Owner must be refunded to VHDA. If the amount is not repaid, the HAP Contract must either be terminated or HAP payments abated. A new Housing Choice Voucher must be issued to the Family allowing them to move as soon as possible.

C. If a unit contains violations of Housing Quality Standards, the Owner's HAP payments may be withheld, abated or the HAP Contract terminated.

D. If a particular Owner has committed a serious abuse against the Program that is determined to be intentional, or if a number of intentional abuses have been committed by one Owner, the Owner's future participation in the Program may be restricted or barred as determined by VHDA.

6. In addition to the aforementioned remedies and procedures, VHDA has other administrative remedies available. The Administrative Agent may be advised to contact the local Commonwealth's Attorney for prosecution, or contact a local attorney that handles collections. Normally, the attorney receives a portion/ percentage of the amount collected, after having taken the matter to court and receiving judgment for the amount of the overpayment. Garnishing wages, placing a lien against property owned, or other appropriate measures, may bring about actual recovery of money due.

7. Administrative Agent remedies for APPLICANTS who **intentionally** commit Program abuse follow the same procedures as for participants. In all probability, at this stage an overpayment has not occurred so determining dollar amount and length of time of Program abuse will not be possible. When it is determined that an APPLICANT has falsified income or Family composition, the Family will be denied assistance from the Program. The APPLICANT who is denied assistance has the same right for an informal review. Unless otherwise determined at the review, the Family will be placed on Inactive Status for 1 year from the date the Family's application is rejected.

8. If Program abuse has occurred, a revision must be processed to correct the payments, using VHDA form 8-900-I or MR8-900-I, as soon as administratively possible. For revisions resulting in an increase in the Family's portion, the revised payment will be effective the 1st of the month following the date of action (e.g., change of income). For revisions resulting in a decrease in the Family's portion, the effective date should be the 1st of the month following completion of the recertification process.

9. Families required to repay amounts owed to VHDA may do so in monthly installments, if VHDA elects to allow the Family this option.

10. Copies of all letters sent to Families or Owners by VHDA or the Administrative Agent informing them of decisions rendered regarding program abuse will be forwarded to the Administrative Agent or VHDA as appropriate.

1280: HANDLING INFORMATION REQUESTS ON BEHALF OF FAMILIES

EFFECTIVE DATE: January 1991

Requests concerning the benefits a Family receives under the Program are to be answered promptly (within 5 business days) by the Administrative Agent. It is the Administrative Agent's responsibility to ascertain the need for the requested information. If it is felt that the requested information is justified, the Administrative Agent must send the requested information to the appropriate party in writing. All such correspondence must include the following statement:

> "This information is being furnished to you in accordance with the requirements of the Virginia Privacy Protection Act, Section 2.1-377, et. Seq., Code of Virginia (1950), as amended, and upon the express understanding that your further use, safekeeping, and dissemination of it shall comply in all respects with the requirements of that Act."

A copy of the letter sent must be placed in the Family's file.

1290:PROCESSING HOUSING DISCRIMINATION COMPLAINTS

EFFECTIVE DATE: June 2002

Participation in the Program requires compliance with Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968 as amended by the Fair Housing Amendments Act of 1988, Executive Order 11063, Equal Opportunity in Housing, 1962; Section 504 of the Rehabilitation Act of 19073; Age Discrimination Act of 1975; and any other related rules, regulations, and requirements of each type of subsidized program.

The Fair Housing Amendments Act is a national policy to provide within constitutional limitations, for fair housing through the United States. No person shall be subjected to discrimination because of race, color, religion, sex, handicap, familial status, or national origin in the sale, rental or advertising of dwellings, in the provision of brokerage services or in the availability of residential real estate-related transactions.

If a Family believes they have been or are about to be discriminated against or otherwise harmed by discriminatory acts, which are prohibited by the law, the Family may contact the Administrative Agent who will provide the following assistance to Families:

A. Assist the Family in completing the Housing Discrimination Complaint form (HUD 903/HUD-903A).
B. Forward the completed form to the VHDA staff person assigned to the locality, who shall then forward it to HUD. Place a copy in the Family's folder.
C. Advise the Family HUD will contact them, and that they may seek legal remedies directly on their own.

CHAPTER 1300: ACCOUNTING AND REPORTING REQUIREMENTS

1310: SOURCES OF INCOME

EFFECTIVE DATE: February 1998

Listed below are three sources of income that may absorb the cost of administering the Program:

1. Preliminary Funds received from the Department of Housing and Urban Development (HUD) if made available;
2. Fee Income; and
3. Interest Income earned from a checking account established to deposit funds received.

Preliminary Funds represent the HUD-approved funds available to reimburse the locality for administrative costs incurred to implement the Program(s) during the first year or until all units are leased, whichever comes first.

Fee Income represents monies earned by a locality for units placed under lease. This income becomes the primary source of income by which a locality meets its ongoing administrative expenses when preliminary funds have been exhausted.

Interest Income earned on an interest-bearing checking account is another source of income by which a locality may meet some of its ongoing administrative costs.

1311: ACCOUNTING RECORDS

EFFECTIVE DATE: February 1998

Each Administrative Agent is required to maintain basic accounting records (separate from the accounting records of the other activities of the Administrative Agent) used to record and summarize the activity of the Program. These basic records include:

- Cash Journals (receipts and disbursements) in which to record the receipt of funds from VHDA and the disbursement of funds to pay for Program costs. HAPs to Owners and URPs to Families will be made directly by VHDA.

- General Ledger in which to post the summarized monthly activity, which has been recorded in the Cash Journals.

- General Journal in which to record transactions that are not recorded in the Cash Journals (e.g., accruals, accounts payable, expenses) or to correct errors made previously.

A. Cash vs. Accrual Basis of Accounting
VHDA prefers that all Administrative Agents use the accrual basis of accounting and record Program costs in the month in which they are incurred, regardless of when they are paid. A journal entry should be made at the end of each month to record accounts payable prior to submitting a requisition to VHDA for reimbursement of Program costs. On a case-by-case determination, VHDA may waive this requirement for accrual basis accounting if it is determined that such requirement will place an undue hardship on the Administrative Agent.

B. Accounts Payable
As of the last day of each month, all unpaid vendor invoices applicable to the current or prior accounting periods should be recorded as an accounts payable (credited to account No. 2111) and charged (debited) to the appropriate equipment or expense account. The entry to accounts payable should be reversed during the subsequent month when paid.

C. Inspection of Records
At any reasonable time as may be deemed appropriate, VHDA, HUD personnel, or their designees, may inspect the books and records of the Administrative Agent. Administrative Agents who are determined not to be in compliance with the requirements as stated herein, will be given 30 days to

correct any deficiencies; if corrections are not made, the Administrative Agent may be removed from the Program.

1312: CHART OF ACCOUNTS

EFFECTIVE DATE: February 1998

At a minimum, the Administrative Agent is to use the following accounts for classifying transactions relative to the Program(s).

A. Accounts

1. Assets

1111	Cash in Bank (Operations)
1117	Petty Cash Fund (Optional)
1129	Accounts Receivable -- VHDA
1162	General Fund Investment
1211	Prepaid Insurance
1212	Insurance Deposits
1475.1	Office Equipment
1475.2	Office Furnishings
1475.7	Automotive Equipment
1475.9	Other Non-expendable Equipment

2. Liabilities and Surplus

2111	Accounts Payable -- Vendors
2117	Payroll Deductions and Employer Contribution
2135	Accrued Salaries and Wages
2136	Accrued Insurance
2139	Other Accruals
2700	Income and Expense Clearing Account
2810	Unreserved Surplus
2826	Reserved Surplus -- Operating Reserve -- Section 8 HAP Projects
2840	Cumulative VHDA Preliminary Program Cost Reimbursement
2841	Cumulative VHDA Administrative Fee Reimbursement

3. Operating Income

3610 Interest on General Fund Investment

3690 Other Income

4. Expenses

Separate sets of accounts (prefixed by a four digit control number) will be maintained depending on when the expense was incurred as follows:

4010 Preliminary Expenses -- Prior to ACC

4012 Preliminary Expenses -- After ACC

4000 Operating Expenses -- After Preliminary Period

The expense accounts are:

4110 Administrative Salaries

4130 Legal Expense

4150 Travel

4170 *Accounting and Auditing

4180 *Office Rent

4190 Sundry Administrative

4400 *Maintenance and Operation (Control Account)

4410 *Maintenance Auto

4420 *Maintenance Equipment

4510 *Insurance

4540 Employee Benefit Contributions

6120 *Gain/Loss from Disposition of Non-expendable Equipment

7016 Provisions for Operating Reserve -- Section 8 HAP Project

7520 *Replacement of Non-expendable Equipment

7530 *Receipts from Non-expendable Equipment Not Replaced

7540 *Property Betterments and Additions

7590 *Operating Expenditures for Property-Contra

(* Not allowed prior to the ACC effective date)

B. Account Descriptions

1. Assets

1111 Cash in Bank (Operations)

The debit balance of this account represents cash on deposit with a bank or banks for the operation of the Program.

1117 Cash -- Petty Cash Fund

The debit balance of this account represents the amount of cash set aside, not in excess of $100, as funds for the payment of minor expenses (less than $20). This account is optional.

1129 Accounts Receivable -- VHDA

The debit balance of this account represents the amount of receivables due from VHDA. This amount is recorded by journal entry at the time the monthly Requisition for Reimbursement of Program Costs (8-1330-1) is prepared.

1162 Investments -- General Fund

This account shall be debited with the cost of securities purchased from monies on deposit in the General Fund. This account shall also be debited with the amount of such funds deposited in time or savings accounts and with the increment in value of U. S. Savings Bonds if VHDA elects to record such increments (see also the description of Account 3610). This account, 1162, shall also be debited with the interest earned on time or savings accounts at the time such interest is credited to the account by the depository.

For purposes of this description, the "cost" of securities includes brokerage, fees, and other costs of acquisition, plus premiums paid or less discounts received, but excludes accrued interest at date of purchase.

If VHDA elects to periodically amortize premiums paid and discounts received on the purchase of securities in accordance with the option in the description of Account 3610, this Account, 1162, shall be debited with the periodic amortization of discounts received and credited with the periodic amortization of premiums paid.

This account shall be credited with the cost of securities sold and with the amounts withdrawn from time or savings accounts.

1211 Deferred Charges -- Prepaid Insurance

The debit balance of this account represents the unexpired portion of stock and mutual company insurance premiums. The unexpired portion of mutual company premiums shall be based on the difference between the amount of deposit premiums and the estimated amount of returnable premiums.

1212 Deferred Charges -- Insurance Deposits

The debit balance of this account represents the estimated amount returnable on mutual company premium deposits upon expiration of the policies. The debit balance shall also include advance premium payments on workmen's compensation and employer's liability insurance policies that may be applied against premium accruals at the end of the policy year.

1475.1 Office Equipment

1475.2 Office Furnishings

1475.7 Automotive Equipment

1475.9 Other Non-Expendable Equipment

These accounts will be debited with the actual cost of all items of non-expendable equipment, as applicable, regardless of whether such equipment is purchased as a replacement of existing equipment or as an addition to the Program. These accounts shall be credited with the actual cost of all items of equipment sold, traded-in, or otherwise discarded.

The Administrative Agent will inventory all equipment purchased annually with preliminary money. VHDA will provide numbered inventory stickers to identify each item.

2. Liabilities and Surplus

2111 Accounts Payable -- Vendors

The credit balance of this account represents amounts payable on open accounts and contract billings for materials received or services rendered.

2117 Accounts Payable -- Payroll Deduction and Employee Contributions

The credit balance of this account represents the amount of payroll deductions and employer contributions that have not been disbursed and applied to the purpose for which such deductions and contributions were made.

This account shall include payroll deductions for income taxes, Federal Insurance Contributions Act (FICA) taxes, unemployment insurance taxes, pension funds, and deductions for purchase of U. S. Savings Bonds, etc. It shall also include employer contributions for pension funds, FICA taxes, unemployment insurance taxes, etc. This account may be subdivided for the purpose of maintaining separate accounts for each classification of payroll deduction and contribution, such as income tax withholdings, employee savings bond deductions, pension

fund deductions and contributions, FICA deductions and contributions, etc. In preparing financial statements, however, the total of the credit balances of the sub-accounts shall be included in Account 2117.

2135 Accrued Salaries and Wages

The credit balance of this account represents the amount of salaries and wages accrued and unpaid.

2136 Accrued Liabilities -- Insurance

The credit balance of this account represents the amount of accrued insurance expense.

2139 Accrued Liabilities -- Other

The credit balance of this account represents the amount of accrued liabilities not applicable to other specific liability accounts.

2700 Income and Expense Clearing Account

This account shall be used as a clearing account to which the balances of all 3000 and 4000 groups of accounts shall be transferred at the end of each fiscal year. (NOTE: Balances of the 7000 and 8000 groups of accounts will not be transferred to this account.) After these entries have been made, the net balance shall be closed to Account 2810, Unreserved Surplus.

2810 Surplus -- Unreserved Surplus

The credit or debit balance of this account represents the amount of surplus (or deficit) from the operation of the projects exclusive of amounts transferred to the Operating Reserve Accounts.

2826 Reserved Surplus -- Operating Reserve -- Section 8 HAP Projects

This account shall be credited (and Account 7016 debited) with the amount by which total operating receipts of Section 8 Housing Assistance Payments Projects exceed the total operating expenditures of such projects for the fiscal year. If the total operating expenditures exceed the total operating receipts for a fiscal year, the amount of such excess (deficit) shall be debited to this account (and Account 7016 credited), to the extent of the credit balance in this account. A single account shall be maintained for all Section 8 Housing Assistance Payments Projects.

2840 Cumulative VHDA Preliminary Program Cost Reimbursement

The credit balance of this account represents the cumulative amount of preliminary costs reimbursed by VHDA to the Administrative Agent.

2841 Cumulative VHDA Administrative Fee Reimbursement

The credit balance of this account represents the cumulative amount of administrative fee reimbursed by VHDA to the Administrative Agent.

3. Operating Income

3610 Interest on General Fund Investment

This account shall be credited with interest earned on general fund investments (see description of Account 1162, Investment -- General Fund). If the VHDA elects to record the periodic increment in value of U.S. Savings Bonds, the amount of such increment shall, after the End of the Initial Operating Period, be credited to this account.

3690 Other Income

This account will be credited with all receipts or income not classified to the other receipts or income accounts (example: monthly fee income earned by an Administrative Agent for units placed under lease).

4. Expenses

4110 Administrative Salaries

This account shall be charged with the gross salaries earned by personnel engaged in administrative and operating duties related the Program.

4130 Legal Expense

This account shall be charged with retainers and fees paid to attorneys for legal services related to the operation of the Program. This account shall be charged with the gross salaries earned by staff attorneys for legal work relating to the operation of the Program. Salaries earned by clerical personnel assigned to such attorneys shall be charged to Account 4110.

4150 Travel

This account shall be charged with travel expenses of officials and employees traveling on official Program business.

Travel expenses include all transportation cost (e.g., bus, travel and plane fares; taxi fares; allowances paid to employees for use of privately owned automobiles), subsistence allowances, etc. Mileage reimbursement for program-purchased automobiles will be calculated at a

lesser rate than mileage reimbursement in automobiles not purchased with Program funds and must be included under Account 4410, Maintenance Auto.

4170 Accounting and Auditing Fees

This account shall be charged with the cost of accounting, computer service, and auditing fees of outside contractors.

4180 Office Rent

This account shall be charged with the rent of office space leased for the administration of the Program(s) including the cost of utilities and janitorial services provided for such space. If the office space leased by the Administrative Agent is used for purposes other than the Program(s), then the Program shall be charged with its applicable share of the cost based on square footage.

4190 Sundry Administrative Expense

This account is provided for recording the cost of all items of administrative expense for which no specific account is prescribed elsewhere. It includes, but is not limited to, the cost of items such as reports and accounting forms; stationery and other office supplies; copying; postage; telephone and telegraph services; messenger service; advertising; fiscal agent fees; and the like. This account may be subdivided for the purpose of maintaining separate sub-accounts for each classification of expense.

4400 Maintenance and Operation (Control Account)

4410 Maintenance Auto

This account shall be charged with costs incurred for the maintenance and operating cost of automobiles purchased with Preliminary Funds based on either mileage reimbursement or actual costs incurred, if any, being used in connection with the Program.

4420 Maintenance Equipment

This account shall be charged with costs incurred for the maintenance and repair of office furniture and equipment.

4510 Insurance

This account shall be charged with the applicable amount of all insurance and fidelity bond premiums.

4540 Employee Benefit Contributions

This account shall be charged with the Administrative Agent's contributions to employee benefit plans such as pension, retirement, and health and welfare plans. It shall also be charged with administrative expenses paid to the

State or other public agency in connection with a retirement plan, if such payment is required by State law, and with Trustee's fees paid in connection with a private retirement plan, if such payment is required under the retirement plan contract.

Deductions from compensation of employees for pension, retirement, and health and welfare plans shall not be charged to this account, but shall be considered a part of the employee's gross earnings and charged to the appropriate salary or labor account.

6120 Gain/Loss from Disposition of Non-expendable Equipment

This account shall be used to record the gain or loss arising from the disposition of non-expendable equipment. The amount to be recorded as a gain or loss will be the difference between the acquisition cost of the item disposed of and the proceeds derived from disposition.

7016 Provision for Operating Reserves -- Section 8 HAP Projects

This account shall be debited (and Account 2826 credited) with the net income from the operation of Section 8 Housing Assistance Payments Projects (the amount by which total operating receipts exceed total operating expenditures for the fiscal year). If there is an operating deficit (the amount by which total operating expenditures exceed operating income for the fiscal year) this account shall be credited (and Account 2826 debited) with the amount of such deficit to the extent of the credit balance in Account 2826. At the close of each fiscal year the balance in this account shall be transferred to Account 2810, Unreserved Surplus. A single account shall be maintained for all Section 8 Housing Assistance Payments Projects.

7520 Replacement of Non-expendable Equipment

This account shall be debited with the acquisition cost of non-expendable equipment purchased as a replacement of equipment of essentially the same kind.

7530 Receipts from Non-expendable Equipment Not Replaced

This account shall be credited with the proceeds from disposition of non-expendable equipment that is not to be replaced.

7540 Property Betterments and Additions

This account shall be debited with the acquisition cost of capitalized property classified as a betterment or addition. "Acquisition cost" means the cost of labor, materials and supplies, expendable and non-expendable equipment, and

contract costs incurred in connection with the betterment or addition.

7590 Operating Expenditures for Property--Contra

This account shall be debited or credited as an offsetting entry to every credit or debit entry made to any other one of the 7500 group of accounts. The debit or credit balance of this account shall at all times be equal to the net amount of the credit or debit balances in the other 7500 group of accounts.

NOTE: If additional account classifications are needed, contact the Accounting Supervisor for assistance.

1340: ADMINISTRATIVE FEE INCOME

EFFECTIVE DATE: February 1998

Fee Income as defined in Section 1310 and determined in Section 1323 is reimbursed monthly by VHDA. As explained in the Administrative Services Agreement, the fee payable with respect to any particular month shall be due and payable during the following month. Excess fees earned by a locality at the end of the current fiscal year will be used to offset estimated expenses for the up-coming fiscal year.

CHAPTER 1400: PORTABILITY

PLEASE SEE CHAPTER 1400 REVISIONS OCTOBER 2003

Available on the website under Agent Activities/HCVP Documentation

CHAPTER 1500: ENHANCED VOUCHERS

CHAPTER: ENHANCED VOUCHERS

1500:GENERAL OVERVIEW

EFFECTIVE DATE: November 2001

BACKGROUND

- On March 7, 2000, HUD issued PIH 2000-9 , which enables certain families under housing conversion actions to be eligible to receive enhanced as opposed to regular housing choice voucher assistance.

- An Enhanced Voucher is a special admission due to a housing conversion action. A special admission does not have to go through the waiting list.

- Enhanced tenant-based rental assistance differed from regular Section 8 tenant-based assistance in two major respects:

    - The law required that the family continue to contribute towards rent at least the amount the family was paying for rent on the date of prepayment.

    - The Law substituted the use of a higher “enhanced” voucher payment standard in cases where the family wished to stay in the unit (and the owner’s new gross rent after the prepayment exceeded the normally applicable voucher payment standard).

CHAPTER: ENHANCED VOUCHERS

1501:GENERAL PROGRAMMATIC POLICIES FOR ALL HOUSING CONVERSION ACTIONS

EFFECTIVE DATE: November 2001

COVERED HOUSING CONVERSION ACTIONS

- **Preservation Prepayment or Voluntary Termination Actions** – certain residents of preservation eligible properties (e.g. Section 236 and Section 221(d)(3) projects) are eligible for tenant-based assistance where the owner prepays the mortgage or voluntarily terminates the mortgage insurance.

- **Project-Based Opt-Outs** – the owner opts out of certain programs by not renewing an expiring Section 8 or Section 23 project-based contract. This category also includes the end of a rent supplement contract under Section 101.

- **HUD Enforcement Actions** – HUD terminates a Section 8 project-based HAP contract or does not offer the owner the option to renew an expiring HAP contract (includes suspensions and debarments). Families are usually assisted with regular housing choice vouchers.

- **HUD Property Disposition** – HUD is the mortgagee-in-possession or owner of the multifamily property due to an owner default on an FHA-insured mortgage. Regular housing choice vouchers are provided to assist eligible low-income families. Regular vouchers are provided to assist low-income families.

1502:IMPORTANT DATES

EFFECTIVE DATE : November 2001

- **Eligibility Event** – the date of prepayment or voluntary termination of the mortgage insurance for a preservation property, or the expiration date of the expiring project-based contract in the case of owner opt-outs.

- **Target Date** – the target dates for the various housing conversion actions are:

  - Preservation prepayment – the date the owner can first increase the rent after the prepayment (no earlier than 60 days from the effective date of the prepayment).

  - Project-Based Opt-Out – expiration or termination date of the project-based contract or maturity of rent supplement mortgage.

  - Enforcement Action – termination or expiration date of project-based contract.

  - Property Disposition Sales – the date of the sale of the property.

- **Opt-Outs** - the dates of the eligibility event and the target date are the same.

1503:COMMON TENANT-BASED PROGRAM ISSUES

EFFECTIVE DATE: November 2001

- In general, all regular Section 8 housing choice voucher program rules, regulations, and directives apply to special admission vouchers.

- **Tenant Based Assistance** – families may use the assistance in the same project, or move from the property.

- **PHA Screening of Families** – the PHA may screen families and deny assistance. The screening of families and decisions to deny admission to the program must be the same as the PHA policy for screening regular admissions of families from the PHA waiting list. The PHA must offer an informal review.

- **Use of Owner Certifications** – the PHA may use the owner's most rent tenant income examination if:

  - The owner's current certification is no more than six months old from voucher issuance **and** the PHA determines that the owner certifications are acceptable.

    AND

  - The PHA must complete the subsequent family reexamination within 1 year of the date of the owner certification.

- **PHA Subsidy Standards** – the PHA issues the special admission vouchers in accordance with the PHA subsidy standards, not the actual size of the unit the family is currently occupying. The voucher payment standard for the family must be the lower of the voucher payment standard for the family unit size under the PHA subsidy standards, or the voucher payment standard for the actual size of the unit.

- **Term of Special Purpose Voucher** – the PHA is expected to provide families with the maximum search time that is reasonably required to locate housing.

- **Rent Reasonableness & Approval of Tenancy** – regular housing choice voucher program rules apply.

- **HQS Inspections** – regular housing choice voucher program rules apply.

- **HAP Contract Execution and Effective Dates** – For "stayers", the PHA may not execute a HAP contract that is effective prior to the target date (date of

- For preservation properties, the ACC effective date is the date of prepayment or voluntary termination of the mortgage insurance (since an owner may not increase rents for at least 60 days).

- For project-based opt-outs, the ACC effective date is 60 days before the contract expiration or termination date.

- **Initial and Subsequent Use of Vouchers** – the PHA does not consider whether the family is on the Section 8 waiting list. The PHA will use the assistance to assist eligible families. Any additional vouchers under this allocation (e.g. unused vouchers from vacant units, ineligible families, etc.) may be used by the PHA to assist families on the PHA waiting list. In any case that the PHA uses remaining vouchers to assist families on the PHA waiting list, the voucher is simply a regular housing choice voucher and does not have any "enhanced" features. Once a special admission voucher turns over for any reason, the PHA retains the voucher for use as part of its housing choice voucher program.

- **Inapplicability of Income Targeting Requirement** – special admission voucher families are not subject to the Income Targeting Requirement, and their admission is not counted in determining compliance with this requirement.

1504:ENHANCED VOUCHER REQUIREMENTS FOR OWNER OPT-OUTS

EFFECTIVE DATE: November 2001

Covered Opt-Outs:

- New Construction or Substantial Rehabilitation Program under Section 8 (b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983);

- Property Disposition Program under Section 8(b) of the United States Housing Act of 1937;

- Loan Management Assistance Program under Section 8(b) of the United States Housing Act of 1937;

- Rent Supplement Program under Section 101 of the Housing & Urban Development Act of 1965, provided that at the same time there is also a Section 8 project-based contract that is expiring/terminating/will not be renewed.

- Section 8 of the United States Housing Act of 1937, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965;

- Moderate Rehabilitation Program (as in effect before October 1, 1991).

Family Eligibility for Opt-Outs:

- A low-income family (including a very low-income family); and

- Residing in a unit covered by the expiring contract on the date of expiration.

Family Eligibility Where Preservation Prepayment Precedes the Opt-Out:

- Family must reside in a unit covered by the expiring contract on the date of expiration;
- Have also resided in the property on the effective date of the prepayment; and
- Meet the income requirements for Preservation Properties described below.
- The PHA first determines income eligibility based on the opt-out. For families who are not low-income, the PHA will determine income eligibility under the preservation prepayment rules.

1505:ENHANCED VOUCHER REQUIREMENTS FOR PRESERVATION PROPERTIES

EFFECTIVE DATE: November 2001

Covered Prepayments:

- Section 221(d)(3) market rate limited distribution projects receiving Section 8 payments converted from Rent Supplement whose project number series is 35001-36599;

- All Section 221(d)(3) below market interest rate projects whose project number series are 55001-55999 and 57501-57999, unless a Rent Supplement Contract remains in effect between HUD and the mortgagor;

- All Section 236 projects whose project number series are 44001-44799; 44801-44899; 45001-45999; and 58501-58999, unless a Rent Supplement Contract remains in effect between HUD and the mortgagor;

- A purchase money mortgage formerly insured under Section 221(d)(3) or 236;

- A mortgage held by a state agency as a result of a sale by HUD without insurance, which immediately before the sale would have been eligible low-income housing under LIHPRHA (Low-Income Housing Preservation and Resident Homeownership Act of 1990); which mortgage (1) for LIPRHA projects is, or is within 2 years of being, eligible for prepayment by contract or regulation in effect before February 5, 1998 without HUD's prior approval; or (2) for ELIPHA (Emergency Low-Income Housing Preservation Act of 1987)projects is, or is within 1 year of being, eligible for prepayment under regulation or contract in effect before February 5, 1998; or

- All State-assisted projects that are eligible for preservation assistance under LIHPRHA or ELIHPA.

Family Eligibility:

- A low-income family (including a very low-income family);

- A moderate-income elderly or disabled family (above 80% but does not exceed 95% of area median income as determined by HUD); or

- A moderate-income family residing in a low vacancy area (3% or less vacancy rate) as determined by HUD; and residing in the preservation eligible property on the effective date of prepayment.

- Beginning in FY 2000, family eligibility is no longer conditioned on an owner rent increase occurring no later than 1 year after the effective date of the prepayment.

- Both assisted and unassisted residents may be eligible for preservation tenant-based assistance.

- A resident family who does not fall into one of these categories on the effective date of the prepayment or voluntary termination is not eligible for one of these vouchers, regardless of whether the family's situation subsequently changes after the effective date of the prepayment.

1506:ENHANCED VOUCHER REQUIREMENTS FOR PRESERVATION ELIGIBLE SECTION 236 PROPERTIES

EFFECTIVE DATE: November 2001

Where an owner voluntarily terminates the mortgage insurance or prepays the Section 236 mortgage in a preservation eligible Section 236 project AND the rent setting requirements of the Section 236 program are still applicable to the project:

- Prepayment occurs so Enhanced Vouchers are triggered.
- 236 rent rules remain; and
- Payment Standard = Basic Rent.

Stayers:

- Anyone paying 30% or Market Rent would not get an Enhanced Voucher
- A participant who pays Basic Rent and has rent increased would get an Enhanced Voucher.

Movers:

- A mover would get an Enhanced Voucher, which is like a Regular Voucher.

1507:FAMILY ELIGIBILITY FOR ENHANCED VOUCHER ASSISTANCE WHERE THERE IS NO INITIAL HAP, AND THE FAMILY WISHES TO STAY IN THE PROJECT.

EFFECTIVE DATE: November 2001

- If the PHA determines that a family is income-eligible for an Enhanced Voucher but that there is no HAP because the family's TTP equals or is greater than the gross rent, the PHA must maintain a record of the eligibility determination for that family.

- The PHA must inform the family that should the family's income decrease or the family's rent increase within 3 years of the eligibility event, the family may contact the PHA.

- Should the PHA determine that the change in income would result in HAP, the PHA will execute a HAP Contract.

- It is the family's responsibility to contact the PHA.

1508:SPECIAL CONDITIONS OF ENHANCED VOUCHER ASSISTANCE

EFFECTIVE DATE: November 2001

- Voucher Payment Standard Where the family Chooses to Stay in the Same Unit – the voucher payment standard used is the gross rent. If the gross rent is less than or equal to the normally applicable PHA voucher payment standard, the regular voucher payment standard rules apply.

- The PHA issues the Enhanced Voucher based on the PHA subsidy standards.

1509:OVERSIZED UNITS

EFFECTIVE DATE: November 2001

- If a family wishes to stay in the project but (1) qualifies under the PHA subsidy standards for a smaller family unit size than the actual size of their current unit and (2) the gross rent exceeds the applicable PHA voucher payment standard for the bedroom size on the family voucher, the family must move to an available appropriate unit size within the project. In such a case, the new gross rent for the smaller size unit is considered the applicable voucher payment standard, provided the new gross rent exceeds the applicable voucher payment standard. (In this case only, the Enhanced Voucher minimum rent discussed below is the rent the family would have been paying on the date of the eligibility event for the smaller size unit to which the family moves.)

- If there is no appropriate size unit available, the family must make a good faith attempt to find a unit outside the project. If the family has not located an eligible unit at the end of the term of the voucher, the PHA executes a HAP Contact for the family's current unit.

- The effective date of the HAP Contract for the oversized unit may not be earlier than the voucher expiration date.

- The voucher payment standard is the gross rent of the oversized unit.

- The PHA and the owner must execute the addendum to the HAP Contract, which automatically terminates the contract after 1 year. The regular voucher payment standard rules would then apply. (The minimum rent requirement still applies).

- During the year, the family may move to an appropriate size unit and the owner agrees to mutually terminate the lease agreement. The family would receive the special voucher payment standard for the appropriate size unit.

Family Move – normal voucher payment standard is applicable.

1510:ENHANCED VOUCHER MINIMUM RENT REQUIREMENT FOR STAYERS

EFFECTIVE DATE: November 2001

- Unassisted Residents – for preservation properties only the Enhanced Voucher minimum rent is the old gross rent the family was paying on the date of prepayment

- Previously Assisted Residents – for opt out and preservation properties the Enhanced Voucher minimum rent is the old TTP or TFC. The certificate family must pay at least the TTP. The voucher family must always pay at least the TFC.

- In cases where the Enhanced Voucher minimum rent exceeds 40% of the family's monthly-adjusted income, the family must still pay at least the Enhanced Voucher minimum rent.

1511:SIGNIFICANT DECLINE IN FAMILY INCOME

EFFECTIVE DATE: November 2001

- In cases where the family income decreases at least 15% from the gross family income on the date of the eligibility event, the Enhanced Voucher minimum rent shall be:

  Unassisted Families - for preservation properties only, the greater of 30% of the family's current monthly adjusted income or the *percentage (not dollar amount)* of the monthly-adjusted income the family paid for *Gross Rent* on the date of the eligibility event.

  Assisted families – for opt out and preservation properties the greater of 30% of the family's current monthly adjusted income or the *percentage (not dollar amount)* of monthly adjusted income the family *TTP or TFC* represented on the effective date of the eligibility event.

- Once this change in the Enhanced Voucher minimum rent calculation becomes effective for a family, the Enhanced Voucher minimum rent for the family remains that specific percentage of income (e.g. 32 percent) and will not revert to a specific dollar amount, even if the family income subsequently increases or decreases.

- The PHA conducts an interim redetermination for a significant decrease in family income (at least 15%) effective by the 1st of the month following the date the family reports the change and provides the necessary documentation.

1512:CALCULATING HAP FOR STAYERS – ENHANCED VOUCHER ASSISTANCE

EFFECTIVE DATE: November 2001

- Regardless of whether the owner's new gross rent *after the eligibility event* exceeds or is less than the PHA voucher payment standard, the housing assistance payment for a family that stays in their present unit (or moves to an appropriate size unit within the project) will equal the:

  Gross Rent Minus the Greatest of:

  (a) 30% of the adjusted family monthly income;
  (b) 10% of the gross family monthly income;
  (c) the Enhanced Voucher minimum rent; or
  (d) such other PHA minimum rent

1513:SPECIAL CONDITIONS FOR FAMILIES CURRENTLY ASSISTED *UNDER THE SECTION 8 TENANT-BASED PROGRAMS*

EFFECTIVE DATE: November 2001

- A resident currently assisted under the voucher or certificate program on the effective date of the eligibility event may choose to be covered by the special provisions. All of the following conditions must be met for an assisted resident to be covered by the special Enhanced Voucher provisions.

- The family must meet the income requirements on the eligibility event;

- The rent increase under the voucher program must be in accordance with the lease agreement and program regulations;

- The new gross rent must be reasonable; and

- The family must decide to stay in the unit instead of moving.

- Under the Voucher Program, the owner is not required to terminate the lease and HAP Contract for current voucher participants to receive the special “enhanced” subsidy.

- The Voucher Payment Standard used to calculate the housing assistance payment is the New Gross Rent of the family’s unit.

- The Enhanced Voucher minimum rent now applies to the family.

1514:CONTINUATION OF THE ENHANCED VOUCHER SPECIAL CONDITIONS

EFFECTIVE DATE: November 2001

The Enhanced Voucher minimum rent continues after the initial year of assistance for all families who receive Enhanced Voucher assistance, and remain at the property.

1515:ENHANCED VOUCHER PAYMENT STANDARD

EFFECTIVE DATE: November 2001

- The voucher payment standard used to calculate the family subsidy will be enhanced to match the gross rent for the unit if the gross rent exceeds the normally applicable voucher payment standard, and the rent is reasonable.

- In cases where the owner raises the rent, the PHA will increase the Enhanced Voucher payment standard to equal the new gross rent if the rent is reasonable. The additional cost of the subsidy will be covered through the regular renewal process.

- If a change in the PHA utility allowance affects the gross rent, the PHA must adjust the Enhanced Voucher payment standard accordingly.

CHAPTER: ENHANCED VOUCHERS

1516:CHANGES IN ENHANCED VOUCHER FAMILY SIZE

EFFECTIVE DATE: November 2001

- Increase in Family Size (Overcrowded):

  - The family must move to an appropriate size unit to continue the Enhanced Voucher subsidy rules. If the family rejects the offer of a unit, the PHA must terminate the HAP Contract.

  - If the family moves from the project, the regular housing choice voucher rules apply.

- Decrease in Family Size:

  - The family must move to an appropriate size unit to continue the Enhanced Voucher subsidy rules, otherwise the family may receive Enhanced Voucher assistance in the oversized unit for up to 12 months.
  - After 12 months, the normal housing choice voucher subsidy rules apply.

FY 2001 Enhanced Voucher Worksheet

Family Name:	LCN:

1. Gross Rent or TTP or TFC at Eligibility Event	

Unassisted Stayer – use Gross Rent
Assisted Stayer – use TTP or TFC
Owner Opt-Out – eligibility event is expiration date of project-based contract.
Preservation Property – eligibility event is date of prepayment of mortgage or voluntary termination of mortgage insurance.

2. **Calculate the Enhanced Voucher HAP Payment:**

a. **Gross Rent or Payment Standard (see below) Minus Greater of:**	
b. 30% of Monthly *Adjusted* Income, **or**	
c. 10% of Monthly *Gross* Income, **or**	
d. $25 Minimum Rent, **or**	
e. Enhanced Voucher Minimum Rent: (Line 1), **or** (Line 4e for 15% Decrease in Income)	
f. = Enhanced Voucher HAP/UR Payment	

(If the gross rent is less than or equal to the normally applicable PHA payment standard, the regular payment standard rules apply. After the eligibility event, regardless of whether the owner's new gross rent exceeds or is less than the PHA payment standard, the HAP for a family that stays in their present unit (or moves to an appropriate size unit within the project) will equal the Gross Rent for the unit minus the greatest of 2 b, c, d, or e above).

For 15% Decreases In Income – compare the family annual income on the Date of the Eligibility Event to the current annual income to see if there has been at least a 15 percent decrease in income. If there has been at least a 15% decrease in income, complete Lines 3 and 4 below to calculate the Enhanced Voucher Minimum Rent and insert in Line 2e above.

3. **On the Date of the Eligibility Event, what was the**:

a. Gross Rent or TTP or TFC at Eligibility Event	
b. Monthly Adjusted Income (MAI) at Eligibility Event	
c. Gross Rent or TTP or TFC Divided by MAI	

4**. Enhanced Voucher Minimum Rent: the Greater of**

a. % of Gross Rent or TTP or TFC of MAI (Line 3c), **or**	**%**
b. 30% of Monthly Adjusted Income	**30%**
c. Greater of a or b above	**%**
d. *Current* Monthly Adjusted Income	**$**
e. Enhanced Voucher Minimum Rent (c x d above)	**$**

Note: The enhanced voucher family must now pay at least the percentage of the monthly-adjusted income (Line 4c) for rent, regardless of any further changes in family income.

CHAPTER: ENHANCED VOUCHERS

1517:APPLICABILITY OF SUBSEQUENT ENHANCEMENTS AND VOUCHER HOUSING SUBSIDY CALCULATIONS FOR PRESERVATION VOUCHERS AND CERTIFICATES PROVIDED IN FISCALYEARS 1997-1999

EFFECTIVE DATE: November 2001

FAMILY'S SUBSIDY CALCULATION

The PHA must make the following changes to a preservation voucher family's subsidy calculation effective on the effective date of the 1st regular reexamination on or after October 20, 1999:

- For Stayers, as of 10/1/99 the PHA will use the current Gross Rent as the new Voucher Payment Standard. (Up to 10/1/99, the PHA used the Greater of the Gross Rent or the Voucher Payment Standard).

- For Movers, the PHA will use the normal voucher program requirements when calculating the housing assistance payment and family share.

- The change in the subsidy calculation is prospective from the 1st regular reexamination on or after October 20, 1999.

- If the family is in an oversized unit, the regular voucher payment standard rules apply (the minimum rent requirement still applies).

Retroactive Worksheet for Preservation Vouchers Under PIH 2000-9

Family Name:	LCN:

1. **a. Gross Rent or TTP or TFC at Initial Admission: $** _____
   (Use Gross Rent for Unassisted Stayer. Use TTP or TFC for Assisted Stayer)
   b. Gross Annual Income at Initial Admission: $ _____
   c. Conversion Effective Date to Enhanced Voucher – the first annual regular reexamine on or after 10/20/99. At each annual reexamine on or after 10/20/99, what was the:

Effective Date of Annual Reexamination:	
Voucher HAP Payment:	

2. **Calculate the Enhanced Voucher HAP Payment** – regardless of whether the owner's new gross rent after the eligibility event exceed or is less than the PHA payment standard, the housing assistance payment for the family that stays in their present unit (or moves to an appropriate size unit within the project) will equal the:

a. Gross Rent minus Greater of:	
b. 30% of Adjusted Monthly Income, **or**	
c. 10% of Gross Monthly Income, **or**	
d. $25 Minimum Rent, **or**	
c. Enhanced Voucher Minimum Rent: (Line 1a for No Decrease in Income), **or** (Line 6e for 15% Decrease in Income)	
d. = Enhanced Voucher HAP/UR Payment	

3. Calculate the Monthly Tenant Refund

a. Enhanced Voucher HAP Payment (Line 2f)	
b. Minus Voucher HAP Payment (Line 1c)	
c. = Monthly Refund	

4. Calculate the Total Tenant Refund

a. Monthly Refund (Line 3c)	
b. x Number of Months	
c. = Total Refund	

For 15% Decreases in Income

5. At Initial Admission to the Tenant-Based Program, what was the:

a. Gross Rent or TTP or TFC at Initial Admission	$
b. Monthly Adjusted Income (MAI) at Initial Admission	$
c. Gross Rent or TTP or TFC Divided by MAI	%

6. **Enhanced Voucher Minimum Rent – compare the family's annual income at initial admission to the tenant-based program to the current annual income to see if there has been at least a 15% decrease in income. If there has been at least a 15% decrease in income, the Enhanced Voucher Minimum Rent is the Greater of:**

a. % of Gross Rent of TTP or TFC of MAI at Admission (Line 5c), **or**	%
b. 30% of MAI	30%
c. Greater of a or b above	%
d. *Curent* MAI	$
e. Enhanced Voucher Minimum Rent (c x d above)	$

NOTE: The Enhanced Voucher family must now pay at least the percentage of the MAI (Line 6c) for rent, regardless of any further changes in family income.

7. Complete this worksheet for each regular reexamination in the file since 10/20/99.

1518:CONVERSION OF REGULAR HOUSING CHOICE VOUCHERS TO ENHANCED VOUCHERS – SECTION 8 PROJECT-BASED HAP CONTRACT TERMINATIONS & EXPIRING MODERATE REHABILITATION CONTRACTS

EFFECTIVE DATE: November 2001

BACKGROUND

- HUD Notice PIH 2001-10 deals with the conversion of Regular Housing Choice Vouchers to Enhanced Vouchers for families affected by Section 8 Project-Based HAP Contract Terminations and Expirations (including Moderate Rehabilitation Contracts) in Federal Fiscal Years 1995 through 1999.

- Beginning in FY 2000, eligibility for Enhanced Voucher assistance was extended to families affected by Section Project-Based Contract expirations and terminations as well as preservation prepayments and voluntary terminations of the mortgage insurance.

- Families that received tenant-based assistance before FY2000 as a result of Section 8 Project-Based Contract expirations or terminations did not benefit from this change. For those families, the owner's new gross rents exceeded the PHA's applicable voucher payment standard, the family was required to pay the difference between the gross rent and the PHA voucher payment standard out-of-pocket in addition to their total TTP.

FAMILY ELIGIBILITY

In order for a family to be eligible for conversion to an Enhanced Voucher:

- The family must have initially received the housing choice voucher or certificate as the result of the expiration or termination of a covered Section 8 Project-Based Contract under which the family was receiving housing assistance.

- The expiration or termination of the Section 8 Project-Based Contract must have occurred between FY 1995 and 1999.

- The family must still be residing at the property and must have continuously resided in the property since the expiration or termination.

COVERED SECTION 8 CONTRACTS

- New Construction or Substantial Rehabilitation;
- Property Disposition Program under Section 8(b) of the United States Housing Act of 1937;
- Loan Management Assistance Program under Section 8(b) of the United States Housing Act of 1937;
- Section 8 of the United States Housing Act of 1937, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965; or

Moderate Rehabilitation Program under Section 8(e)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1991).

CONVERSION PROCESS

Step 1 - The PHA identifies former Section 8 projects and the tenant-based assistance program families still remaining at the property, and determines family eligibility.

Step 2 - The PHA determines the conversion effective date for vouchers:

- In any case where the family is currently paying more that the total TTP for the family share (i.e., the gross rent exceeds the applicable PHA voucher payment standard) the effective date of the conversion is November 1, 2000 for FY 1997, 1998, and 1999 HAP Contract expirations or terminations. In the case of FY 1995 and 1996 HAP Contract expirations or terminations, the effective date of the conversion is January 1, 2001.
- If the voucher family is currently paying TTP as the family share, the effective date of the change is <u>not</u> retroactive. The effective date of the conversion to Enhanced Voucher assistance will be the effective date of any gross rent increase (by increase in the rent to owner or the utility allowance) that results in the gross rent exceeding the normally applicable voucher payment standard.

Step 3 - The PHA determines the conversion effective date for certificates.

- In the case of a current regular certificate family, the family is converted to an Enhanced Voucher at the time the family's certificate is converted to the housing choice voucher program, provided the family remains at the project.

Step 4 - The PHA calculates the enhanced voucher minimum rent for each

eligible family:

- The dollar amount of the family's total TTP or TFC at initial admission to the tenant-based program is the Enhanced Voucher minimum rent.

- Significant decreases are the same as in PIH 2000-9.

Step 5 - The PHA calculates the Enhanced Voucher housing assistance payment:

- The formula for calculating Enhanced Voucher HAP is the same as in PIH 2000-9.

1519:ADMINISTERING ENHANCED VOUCHER ASSISTANCE

EFFECTIVE DATE: November 2001

- Once the assistance is converted to an Enhanced Voucher, the special conditions of the Enhanced Voucher (minimum rent and the special voucher payment standard rules) are applicable for as long as the family receives voucher assistance at the project.

- If an owner subsequently raises the rent for an Enhanced Voucher family, the PHA will use the new gross rent to calculate the voucher HAP payment for the family.

- The PHA uses the normal voucher rules when calculating the voucher HAP payment and family share at the new unit if an Enhanced Voucher family moves from the project.

Enhanced Voucher Worksheet (PIH 2001-10)

Family Name:	LCN:
Effective Date of 50058:	

1. a. TTP or TFC at Initial Admission to the Tenant-Based Program: $_____
   b. Gross Annual Income at Initial Admission: $ _____

2. **Calculate the Enhanced Voucher HAP** - if the Gross Rent exceeds the Voucher Payment Standard, calculate the Enhanced Voucher HAP Payment below. (If the Gross Rent does not exceed the Voucher Payment Standard, apply this worksheet at the next rent increase where the Gross Rent exceeds the Payment Standard). Once the assistance is converted to an enhanced voucher, continue to use the calculation below:

a. **Gross Rent minus Greater of:**	
b. 30% of Adjusted Monthly Income, **or**	
c. 10% of Gross Monthly Income, **or**	
d. $25 Minimum Rent, **or**	
e. Enhanced Voucher Minimum Rent: (Line 1a for <u>No</u> Decrease in Income), **or** (Line 4e for 15% Decrease in Income)	
f. = Enhanced Voucher HAP/UR Payment	

<u>For 15% Decreases In Income</u>

3. **At Initial Admission to the Tenant-Based Program**, what was the:

a. TTP or TFC at Initial Admission	$
b. Monthly Adjusted Income (MAI) at Initial Admission	$
c. TTP or TFC Divided by MAI	%

4. **Enhanced Voucher Minimum Rent** - compare the family annual income at initial admission to the tenant-based program to the current annual income to see if there has been at least a 15 percent decrease in income. If there has been at least a 15% decrease in income, the Enhanced Voucher Minimum Rent is the <u>Greater</u> of:

a. % of TTP or TFC of Monthly Adjusted Income at Admission (Line 3c), **or**	%
b. 30% of Monthly Adjusted Income	30%
c. Greater of a or b above	%
d. *Current* Monthly Adjusted Income	$
e. Enhanced Voucher Minimum Rent (c x d above)	$

<u>Note</u>: The enhanced voucher family must now pay at least the percentage of the monthly-adjusted income (Line 4c) for rent, regardless of any further changes in family income.

Retroactive Worksheet for Enhanced Vouchers Under PIH 2000-10

Family Name:	LCN:

1. **Conversion Effective Date** – the conversion effective date is November 1, 2000 for FY 1997 – 1999 HAC Contract Expirations or Terminations, and January 1, 2001 for FY 1995 & 1996 HAP Contracts. Complete this worksheet for each HUD Form-50058 in the file since November 1, 2000 or January 1, 2001 (whichever applicable) **if** the TFC exceed the TTP. If the TFC did not exceed the TTP, apply the Enhanced Voucher Worksheet (PIH 2001-10) at the next rent increase where the gross rent exceed the voucher payment standard.

Period of Time of HUD Form-50058: _____

a. Gross Rent of Unit:	
b. Voucher Payment Standard:	
c. Family TTP:	
d. Voucher HAP Payment:	
e. Family Share (TFC):	

2. **Calculate the Enhanced Voucher HAP Payment:**

a. Gross Rent (Line 1a) minus Greater of:	
b. TTP (Line (1c), **or**	
c. Enhanced Voucher Minimum Rent: (Line 5a for No Decrease in Income), **or** (Line 6e for 15% Decrease in Income)	
= Enhanced Voucher HAP/UR Payment	

3. Calculate the Monthly Tenant Refund

a. Family Share/TFC (Line 1e)	
b. Minus TTP **(Greater of Line 2b or 2c)**	
c. = Monthly Refund	

4. Calculate the Total Tenant Refund

a. Monthly Refund (Line 3c)	
b. x Number of Months	
c. = Total Refund	

For 15% Decreases in Income

5. **At Initial Admission to the Tenant-Based Program, what was the:**

a. TTP or TFC at Initial Admission	$
b. Monthly Adjusted Income (MAI) at Initial Admission	$
c. TTP or TFC Divided by MAI	%

6. **Enhanced Voucher Minimum Rent – compare the family's annual income at initial admission to the tenant-based program to the current annual income to see if there has been at least a 15% decrease in income. If there has been at least a 15% decrease in income, the Enhanced Voucher Minimum Rent is the Greater of:**

a. % of TTP or TFC of MAI at Admission (Line 5c), **or**	%
b. 30% of MAI	30%
c. Greater of a or b above	%
d. *Current* MAI	$
e. Enhanced Voucher Minimum Rent (c x d above)	$

NOTE: The Enhanced Voucher family must now pay at least the percentage of the MAI (Line 6c) for rent, regardless of any further changes in family income.