ADMINISTRATIVE PLAN FOR

PROJECT-BASED VOUCHER PROGRAMS

HOUSING AUTHORITY OF THE CITY OF RENO

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CHAPTER 1: INTRODUCTION

1.1 OVERVIEW OF THE PROGRAM

The Project-Based Voucher (PBV) Program is authorized by Section 8(o)(13) of the U.S. Housing Act of 1937 (42 U.S.C. 1437f(o)(13)). In the PBV program, place-based subsidies are "attached to the unit," which may be a multi-family building or a single-family home. The PBV program incentivizes housing with lower barriers, designed to meet specific needs while improving access to neighborhoods of opportunity. [24 CFR Part 983]

The mission of the Housing Authority of the City of Reno (RHA) is to provide fair, sustainable, quality housing that offers a stable foundation for low-income families to pursue economic opportunities, become self-sufficient, and improve their quality of life. RHA receives funding from the U.S. Department of Housing and Urban Development (HUD) to provide housing assistance to participating families, however, the actual number of families assisted by RHA under its housing programs is determined by the amount of funding available through local, state, and federal resources. Currently, RHA helps low-income households obtain quality housing within Washoe County, the City of Reno, and the City of Sparks through the following project-based voucher programs:

1.1.1 Mobility Demonstration. RHA purchased single family homes, apartments, condos and duplexes in low poverty areas and assigned PBVs to each unit. These units are offered to eligible Public Housing residents.

1.1.2 Partnership program. RHA assigns PBVs to non-Public Housing units owned by RHA and is partnering with local non-profit organizations to assist at-risk individuals. Participants are required to meet all eligibility requirements of the referring agency and RHA.

1.1.3 Other RHA-owned units. RHA assigns PBVs to other units owned by RHA to preserve long-term affordability.

1.1.4 Privately owned units. RHA awards PBVs to property owners who seek award through a competitive Request for Proposal (RFP) process. RHA may also award PBVs non-competitively if the units were previously selected under a federal, state, or local government housing assistance program if proposals were selected within three (3) years of the PBV proposal selection date in accordance with such program's competitive selection requirements. The PBV may be designated to serve a specific population, which will be detailed in the RFP. RHA will make referrals from RHA's own wait list and partner with community agencies to provide referrals to these PBV units and ongoing case management.

1.1.5 RAD-PBV units. With HUD approval, RHA may convert Public Housing units through the Rental Assistance Demonstration (RAD) program. Conversion of Public Housing funding to PBV assistance is allowed with special requirements set forth by HUD to be applicable only to RAD-PBV units (see Chapter 9).

1.1.6 HUD-VASH PBV. RHA may project-base HUD-VASH vouchers, with consent from the local VA, on RHA-owned units or privately owned units. These vouchers follow HUD-VASH operating requirements regarding screening, case management, minimum rent, and the PBV requirements regarding right to move.

1.2 MOVING TO WORK (MTW) DEMONSTRATION

The Moving to Work (MTW) Demonstration is authorized under Section 204 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134). RHA was designated as an MTW Demonstration PHA following the execution of its MTW agreement with HUD on June 27, 2013. This agreement defines the areas and parameters of RHA's flexibility under the demonstration. It also governs and supersedes, when appropriate, applicable federal laws, rules, regulations, contracts, and agreements that have, or will be, waived and/or modified by the MTW agreement and any subsequent amendments. Participation in MTW allows RHA to design and test various approaches to providing and administering housing assistance that reduces cost and achieves greater cost effectiveness in federal expenditures; provides incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational, or other programs that assist in obtaining employment and becoming economically self-sufficient; and increases housing choice for low-income families.

Pursuant to its MTW authority, RHA is exempt from many of the federal regulation requirements and provisions of the U.S. Housing Act of 1937. This allows RHA to implement innovative methods of providing housing and delivering services to low-income families. Among its authorized activities, RHA may adopt and implement reasonable policies for admission and occupancy, eligibility, selection and assignment, changes in income, recertifications, establishing rents, and other specific criteria. Policies implemented by RHA pursuant to its MTW authority are written into the Administrative Plan for Tenant-Based vouchers, allowed for in RHA's executed MTW agreement, and outlined in RHA's Annual MTW Plan(s) approved by the U.S. Department of Housing and Urban Development (HUD).

1.3 PURPOSE OF THE ADMINISTRATIVE PLAN

The Administrative Plan for Project-Based Voucher Programs is RHA's written statement of policies for administering PBV programs in a manner consistent with federal laws and regulations, HUD requirements, and RHA's MTW agreement. The plan contains policies that support local goals and objectives contained in RHA's MTW Plan(s). RHA has written this plan to ensure compliance with its Annual Contributions Contract (ACC) and all HUD-approved applications for program funding. Any issues concerning PBV programs that are not addressed in this plan are governed by federal regulations, HUD handbooks and guidebooks, federal notices, and applicable federal, state, and local housing laws. Administration of the program by RHA will comply with the Equal Opportunity Housing Plan (EOHP), Fair Housing, and all changes in HUD regulations unless specifically exempted by RHA's MTW agreement and outlined in a HUD approved MTW Annual Plan. This plan is a requirement of HUD and as such will be available for public review. [24 CFR Part 903]

1.4 UPDATING AND REVISING THE ADMINISTRATIVE PLAN

RHA will review and update the Administrative Plan at least annually to reflect changes in

regulation, MTW initiatives, or as needed to ensure staff consistency in RHA operations. Any substantive or discretionary changes or revisions must be approved by RHA's Board of Commissioners unless previously approved in an MTW Annual Plan.

RHA, from time to time, may make non-substantive changes and edits to the Administrative Plan to clarify policy language, address inconsistencies, and simplify language. These changes and any updates necessary to comply with mandatory, non-discretionary changes in the regulations and/or HUD requirements may be made without Board approval.

1.5 STATUTORY PROVISIONS

Each of the provisions set forth in 24 CFR § 983 applies to assistance under the PBV program.

1.5.1 Applicability of tenant-based voucher program. 24 CFR Part 982 is the basic regulation for the tenant-based voucher program. Unless specified in the PBV program, the policies for tenant-based voucher programs will apply.
[24 CFR § 983.2]

1.5.2 Units selected for the PBV program may be existing housing, new construction or properties needing to be rehabilitated.

1.5.3 RHA may select owner proposals to provide project-based assistance for more than 20 percent of the amount of budget authority allocated to RHA by HUD in RHA's voucher program.

1.5.4 No displacement. Although the Uniform Relocation Act must apply, RHA will not consider proposals from owners of properties in which families or individuals are being or will be displaced under this Act.

1.5.5 Special housing types. RHA will not provide PBV assistance for shared housing, manufactured home space rental, or the homeownership option. See 24 CFR §§ 983.52 and 983.53 for prohibition of assistance for ineligible units, in subsidized housing, and units with duplicative public assistance.

1.5.6 Waived statutory provision. RHA is not limited to the greater of 25 units, or 25 percent (25%) of units in a project.

CHAPTER 2: FAIR HOUSING AND EQUAL OPPORTUNITY

2.1 NONDISCRIMINATION

RHA is committed to nondiscrimination in housing. It is the policy of RHA to comply with all nondiscrimination laws, rules, ordinances, and regulations set forth by local, state, and federal governments. Applicable Fair Housing and Equal Opportunity laws provide that no person shall be discriminated against on the basis of race, color, sex, religion, familial status, age, disability or national origin. [24 CFR Part 1, Part 100, and § 5.105]

RHA complies with the rules and regulations governing Fair Housing and Equal Opportunity (FHEO) in housing and employment and with all nondiscrimination laws including:

- Title VI of the Civil Rights Act of 1964.
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988).
- Executive Order 11063.
- Section 504 of the Rehabilitation Act of 1973.
- Age Discrimination Act (ADA) of 1975.
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern).
- Violence Against Women Reauthorization Act (VAWA).
- Equal access to housing in HUD programs. [24 CFR § 5.105(2)]

2.1.1 Discrimination complaints. If an applicant or participant believes that they themselves, or any family member, have been discriminated against, by RHA or an owner, the family should advise RHA. After receiving notification, RHA will attempt to remedy any discrimination complaint made against RHA. The complainant will be provided with information on how to complete and submit a discrimination complaint to HUD's FHEO office.

2.2 REASONABLE ACCOMMODATIONS

RHA is committed to ensuring that its policies do not deny individuals with disabilities the opportunity to participate in, or benefit from, the operations of its programs, services, and activities. As such, a person with a disability may require special accommodation to have equal access to the programs. [24 CFR Part 8]

2.2.1 Definition of disability.

2.2.1.1 The definition of disability for the purpose of reasonable accommodation is different than the definition used for admission.

The Fair Housing definition used for this purpose is: "A person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such impairment."

2.2.1.2 The phrase "physical or mental impairment" includes:

a. Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; urinary; hemic and lymphatic skin; and endocrine.

b. Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term "physical or mental impairment" includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech, and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

2.2.1.3 "Major life activities" means functions such as caring for oneself, performing manual tasks, walking, seeing, hearing, speaking, breathing, and learning.

2.2.1.4 "Has a record of such an impairment" means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

2.2.1.5 "Is regarded as having an impairment" means:

a. Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation,

b. Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment, or

c. Has none of the impairments defined in Section 2.2.1.2. but is treated by a recipient as having such an impairment.

2.2.2 Request for accommodation. If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service, is needed

because of a disability, the family must explain what type of accommodation is needed to provide the person with the disability full access to the program. If the need for the accommodation is not readily apparent, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship between the requested accommodation and the disability. [24 CFR Part 8]

2.2.2.1 RHA will provide the applicant or participant with the necessary Reasonable Accommodation forms to be completed. RHA staff will send the forms directly to a professional third-party provider of the applicant or participants choosing. Written verification that the individual needs the specific accommodation due to their disability and the change is required for them to have equal access to the housing program must be provided by a third-party provider.

a. The third-party provider must return the completed Reasonable Accommodation forms directly to RHA for final review by the Director of Rental Assistance or designated staff.

b. If the third-party provider fails to respond, a second request for verification may be made of a different provider chosen by the applicant or participant.

2.2.2.2 When accommodations are granted, they do not confer special treatment or advantage for the person with a disability; rather, they make the program fully accessible to them in a way that would otherwise not be possible. The requested accommodation will not release the applicant or participant from any ongoing family obligations under the program.

2.2.2.3 RHA may reverify approved accommodations to determine if it is still essential and being used as intended at future annual recertifications, i.e. medical room, live-in aide, etc.

2.3 VIOLENCE AGAINST WOMEN ACT PROTECTIONS

The Violence Against Women Act (VAWA) provides special protections for, both men and women who receive Project-Based Rental Assistance, if they become victims of domestic violence, dating violence, sexual assault and/or stalking. Any state or local laws that provide greater protection for such victims apply in conjunction with VAWA. [24 CFR § 5.2005]

2.3.1 Notification to applicants and participants.

2.3.1.1 RHA is required to inform HCV applicants and participants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or

termination of housing benefits.

2.3.2 Prohibition against denial or termination.

2.3.2.1 An applicant or voucher participant may not be denied admission to, denied assistance under, or terminated from participation in on the basis of or as a direct result of the fact that they have been a victim of domestic violence, dating violence, sexual assault, or stalking if the applicant or resident otherwise qualifies for admission, assistance, participation, or occupancy.

2.3.2.2 VAWA does not limit RHA's authority to deny or terminate assistance to an individual or family that is not otherwise qualified or eligible for assistance.

2.3.3 Documentation.

If an applicant or voucher participant claims protections as a victim of domestic violence, dating violence, sexual assault, or stalking, RHA may request, in writing, that the applicant or participant submit one of the following:

2.3.3.1 An approved HUD certification form completed by the victim to document the incident. [HUD form 5382]

2.3.3.2 A document signed by an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must be:

a. Signed by the applicant or resident, and

b. Specify, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection and remedies under this subpart, and that the incident meets the applicable definition of domestic violence, dating violence, sexual assault, or stalking under 24 CFR § 5.2003.

2.3.3.3 A record of a federal, state, tribal, territorial, or local law enforcement agency, court, or administrative agency.

2.3.3.4 At the discretion of RHA, a statement or other evidence provided by the applicant or resident.

2.3.4 Confidentiality.

2.3.4.1 RHA will keep confidential any information that an applicant or HCV participant submits in connection with VAWA protections, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking.

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

a. Requested or consented to by the individual in a time-limited release.

b. Required for use in an eviction proceeding as permitted in VAWA.

c. Otherwise required by applicable law.

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

2.4 PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)

RHA acknowledges the importance of serving Limited English Proficiency (LEP) persons and has adopted a Language Access Plan to ensure its programs and services are accessible to persons with LEP. In accordance with the Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Persons, published in the Federal Register on January 22, 2007, RHA will take affirmative steps to communicate with people who need services or information in a language other than English.
[24 CFR Part 1 and Part 100]

2.4.1 Overview. LEP is defined as a person(s) who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English. For this policy, LEP persons include applicants and voucher participants, as well as parents and family members of applicants and participants.

2.4.1.1 To determine the level of access needed by LEP persons, RHA will balance the following four factors to ensure meaningful access by LEP persons to critical services while not imposing undue burdens on RHA:

a. The number or proportion of LEP persons eligible to be served or likely to be encountered by the program.

b. The frequency with which LEP persons come into contact with the program.

c. The nature and importance of the program, activity, or service provided by the program to people's lives.

d. The resources available to RHA and costs.

2.4.2 Oral interpretation. In a courtroom, a hearing, or situations in which health, safety, or access to important benefits and services are at stake, RHA will generally offer or ensure that the family is offered through other sources, competent services free of charge to the LEP person.

2.4.2.1 RHA will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.

2.4.2.2 Where feasible, RHA will train and hire bilingual staff to be available to act as interpreters and translators.

2.4.2.3 Upon request and at their own expense, a LEP person can use an interpreter of his/her own choosing in place of, or as a supplement to, the free language services offered by RHA. The interpreter may be a family member or friend.

2.4.3 Written translation. To comply with written translation obligations, RHA will provide written translations of vital documents for each eligible LEP language group that constitutes five (5%) percent or 1,000 persons, whichever is less, of the persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally.

CHAPTER 3: CONDITIONS GOVERING ELIGIBILITY

HUD has established strict requirements for eligibility for assistance and the portion of tenant income to be paid toward rent. These requirements are intended to ensure that only qualified families receive assistance. [24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]

3.1 ELIGIBILITY FOR ADMISSION

RHA is responsible for ensuring that every individual and family admitted to the PBV program meets all program eligibility requirements, including any individual approved to join the family after admission. To be eligible for admission to the voucher programs operated by RHA, applicants must meet the following criteria:

3.1.1 Qualify as a Family [24 CFR § 5.403] (see Appendix 1).

3.1.2 Have annual income, at the time of application and admission, which does not exceed the very low-income limits set by HUD (see Appendix 2) *or* one of the following:

3.1.2.1 A low-income family that has been "continuously assisted" under the 1937 Housing Act.

a. A family is considered to be continuously assisted if the family is already receiving assistance under any 1937 Housing Act program at the time the family is admitted to the voucher program. [24 CFR § 982.4]

3.1.2.2 A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments, or other HUD-assisted multifamily homeownership programs covered by 24 CFR § 248.173.

3.1.2.3 A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing as defined in 24 CFR § 248.101.

3.1.2.4 A low-income family referred to participate in the HUD-VASH program.

a. Service-connected disability benefits from the VA will be excluded from the HUD-VASH client's income when determining eligibility (but will be included in the determination of the household's portion of the rent).

3.1.3 Citizenship status. At least one household member must be a U.S. citizen, national, or noncitizen with an eligible immigration status as defined in 24 CFR

Part 5 Subpart E (see Appendix 1, "Eligible Immigration Status"). RHA will prorate the family's assistance based on the number of eligible household members.

3.1.3.1 A declaration of status must be completed for each household member.

3.1.3.2 RHA will not provide assistance to any household prior to the affirmative establishment and verification of the eligibility of the individual or at least one member of the household.

3.1.4 Conform to the subsidy standards for voucher tenancy (see Section 3.3).

3.1.5 Must not currently owe money or have committed fraud in connection with any federally assisted housing program.

3.1.5.1 At time of initial application, the applicant must pay in full any outstanding debt prior to being placed on the wait list.

3.1.6 Must not have been evicted from federally assisted housing.

3.1.6.1 Any applicant evicted from federally assisted housing within the past three (3) years is not eligible for housing assistance under RHA's federally assisted programs.

3.1.7 Must provide a Social Security number (SSN) for all household members or will provide written certification that they do not have a SSN.

3.1.8 Households must not have combined assets with a cash value of more than $50,000 (or the amount published by HUD adjusted for inflation, see Appendix 8).

3.1.9 All applicant households must not have ownership interest in, and the effective legal authority to sell based on state or local laws where the property is located, real property that is suitable for occupancy by the family as a residence. This real property restriction does not apply to (24 CFR § 5.618):

3.1.9.1 Any property for which the family is receiving assistance under 24 CFR § 982.620 (manufactured home) or under the homeownership option in 24 CFR Part 982.

3.1.9.2 Any property that is jointly owned by a member of the family and at least one non-household member who does not live with the family, if the non-household member resides at the jointly owned property.

3.1.9.3 Any person who is a victim of domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR Part 5 Subpart L.

3.1.9.4 Any family that is offering such property for sale.

3.1.10 Student status. To qualify as an independent student the household must meet at least one of the following criteria.

3.1.10.1 Be at least 24 years old by 12/31 of the award year.

3.1.10.2 Be an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when they were 13 years old or older.

3.1.10.3 Be (or was immediately prior to turning 18) an emancipated minor or in legal guardianship as determined by a court.

3.1.10.4 Be a veteran or active-duty military.

3.1.10.5 Be a graduate or professional student.

3.1.10.6 Be married.

3.1.10.7 Have at least one dependent child.

3.1.10.8 Have been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth or as unaccompanied, at risk of homelessness, and self-supporting by a local educational agency homeless liaison; the director of a program funded under the Runaway and Homeless Youth Act or a designee of the director; or of a program funded under subtitled B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378) or a designee of the director.

3.1.10.9 Be a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

3.1.11 May not be a non-immigrant student alien (see Appendix 1).

3.1.12 Must not be abusing alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents or have a pattern of such abuse.

3.1.13 RHA will perform criminal history background checks on all adult household members, including households porting into RHA's programs, to determine whether any household member is subject to a lifetime sex offender registration requirement and to determine eligibility based on criminal background. To be eligible for assistance all adult household members:

3.1.13.1 Must not be subject to a lifetime registration requirement under any state or federal sex offender registration program.

3.1.13.2 Must not ever have been convicted of manufacturing or producing methamphetamine while residing in federally assisted housing.

3.1.13.3 Must not have engaged in drug related criminal activity or have a history of criminal activity involving crimes of physical violence to persons or property and other criminal acts which would adversely affect the health, safety or welfare of other tenants within the three (3) years prior to initiation of a background check.

a. Any household member who would otherwise be found ineligible per 3.1.11.3 must have successfully completed all court ordered sentencing requirements by the date the criminal background check was initiated by RHA to be considered eligible.

3.2 ELIGIBILITY FOR CONTINUED ASSISTANCE

To be eligible for continued assistance in the voucher programs operated by RHA, occupants must meet the following criteria:

3.2.1 Qualify as a family (See Appendix 1).

3.2.2 Conform to the subsidy standards for voucher tenancy (see Section 3.3).

3.2.3 Conform to Family Obligations within the voucher program.

3.2.4 All adult household members must have consented and executed RHA's General Release of Information form (RHA's equivalent of HUD-9886-A).

3.2.4.1 A family or household member can revoke their consent by providing written notification of the revocation to RHA. Revoking consent will result in termination of assistance for the household.

3.2.5 Maintain student status eligibility, if applicable, as outlined in section 3.1.10.

3.2.6 Maintain eligible citizenship or eligible immigration requirements (see Appendix 1, "Eligible Immigration Status").

3.2.7 If the tenant portion of rent equals the gross rent for the unit occupied, the participant may remain on the program for 365 days with zero Housing Assistance Payments (HAP). The participant will be removed from the program after the 365 days unless the household reports a change in circumstances that would require HAP to resume.

3.2.7.1 Loss of housing subsidy does not affect the participant's tenant rights nor does it automatically terminate the lease with the landlord.

3.3 SUBSIDY STANDARDS FOR PBV TENANCY

Subsidy standards are used to determine the number of bedrooms needed for families of different sizes and compositions. Families will be referred to units in accordance with RHA's subsidy standards. Should a family's composition or size change while participating, the family will be offered PBV assistance in an appropriately sized unit, occupancy in a Public Housing unit, or assistance through the tenant-based voucher program.

3.3.1 The subsidy standard used to determine what size voucher will be used in calculating the subsidy for a tenant household is two (2) people per bedroom.

3.3.2 In establishing the appropriate subsidy standards, RHA will include all persons anticipated to reside in the unit.

3.3.2.1 Examples include: an unborn child, children who are in the process of being adopted, or children whose custody is being obtained by an adult member of the household.

3.3.2.2 In a joint custody arrangement, if the minor is in the household for less than 183 days per year, the minor will be considered an eligible visitor and not a household member.

3.3.3 Foster children. Foster children will be included in determining subsidy size only if they will be in the unit for more than six (6) months.

3.3.4 Live-in aide. Participants and/or applicants approved for a live-in aide are provided with a 90-day period from the date of approval of the reasonable accommodation request to obtain and secure a live-in aide before the process must begin again. After this period, participants and/or applicants may be granted a 30-day extension if they can demonstrate they have taken steps necessary to secure and obtain a live-in aide. [24 CFR §§ 982.551(h)(4) and 982.316]

3.3.4.1 If an applicant's reasonable accommodation is approved to allow for a live-in aide, the file will not be referred for a briefing until RHA's Admissions Office has approved the live-in aide chosen by the applicant. The subsidy size will not be increased until a specific person is approved as the live-in aide.

3.3.4.2 In the event the participant and/or applicant has secured a live-in aide, but RHA is waiting for verification of documents for eligibility of the live-in aide, a second 30-day extension may be granted to the voucher holder and/or applicant.

3.3.4.3 If the live-in aide vacates the unit, the subsidy size will be reduced after a 30-day notice of rent increase. Failure to timely report the move-out of a live-in aide may result in a charge or balance owed by the voucher holder for overpaid rental assistance.

3.3.5 Medical equipment. Participants and/or applicants approved for an increase in subsidy standard due to medical equipment will be subject to biennial inspection of the continued need for the increase in subsidy.

3.3.6 Exceptions to the subsidy standard. The only exceptions to the subsidy standard include:

3.3.6.1 Medical justification verified through the reasonable accommodation process.

3.3.6.2 To avoid forcing an existing tenant to move from former HUD-assisted properties.

3.3.6.3 To prevent an adult from having to share a bedroom with a minor (minor defined as under 18 years of age) regardless of gender.

CHAPTER 4: PROGRAM WAIT LIST AND TENANT SELECTION CRITERIA

This chapter describes policies for managing wait lists for all PBV programs administered by RHA and the tenant selection process. Placement on a wait list does not indicate that a family is eligible for assistance. Final determination of eligibility will be made when the applicant is selected from the wait list. [24 CFR §§ 982.204 - 982.207]

4.1 OVERVIEW

When a family wishes to receive a project-based rental assistance voucher, the family must submit an application that provides RHA with the information needed to determine eligibility. When completing the application for housing assistance, applicants are presented with the opportunity to have their name placed on any open wait list for which they qualify. Families will be selected from the wait list(s) in accordance with RHA policies. In the administration of its wait lists, RHA will fully comply with HUD regulations, applicable fair housing laws, and RHA policies.

4.2 OPENING AND CLOSING THE WAIT LISTS

4.2.1 RHA, at its discretion, may open, restrict application intake, suspend application intake, and close wait lists in whole or part.

4.2.2 RHA will adhere to all HUD and fair housing guidelines and regulations when announcing the opening of wait lists [24 CFR § 982.206].

4.2.3 The decision to close the wait list(s) will be based on achievement of a wait list adequate to cover projected turnover and new allocations of voucher/units over an estimated 18-month period.

4.2.4 When the wait list is open, any household asking to be placed on the wait list will be given the opportunity to complete an application.

4.3 SITE-BASED WAIT LISTS

RHA offers site-based wait lists for some PBV properties. Applicants may apply, when wait lists are open, to the site-based wait list for the communities they wish to reside in. If applicable, some sites may have site specific preferences, as determined by RHA with HUD approval.

4.3.1 The applicant's household composition and characteristics must meet subsidy standards and any site-specific preferences to qualify for the bedroom size and site-based waiting lists they wish to apply for, see Section 3.3.

4.3.2 Every reasonable action will be taken to ensure that applicants have access to make informed choices regarding the sites they wish to reside. RHA will provide information regarding location, subsidy standards, number of accessible units, amenities, school zoning and transportation resources. The information will be available on RHA's website, in person at RHA's main office, or over the phone.

4.3.3 When applicants apply for RHA's site-based PBV programs, RHA will inform applicants if the Housing Choice Voucher (HCV) or site-based Public Housing wait lists are open and will offer to add the applicant to one or both of those wait lists, the household meets the income and occupancy guidelines.

4.3.4 When applicants apply for RHA's HCV program, RHA will inform applicants if the site-based Public Housing or PBV wait lists are open and will offer to add the applicant to one or both of those wait lists, if applicable.

4.3.5 RHA will maintain separate wait lists for all other housing programs it operates. When there are insufficient applicants on a site-based wait list, RHA must follow the criteria for re-opening the wait list.

4.4 INCOME TARGETING FOR VOUCHER ASSISTANCE

Pursuant to RHA's MTW agreement, RHA must:

- Ensure that at least 75 percent of the families assisted are very low-income families, as defined in Section 3(b)(2) of the 1937 Act,
- Assist substantially the same total number of eligible low-income families under MTW, as would have been served absent the demonstration, and
- Maintain a comparable mix of families by family size, as would have been served or assisted had the amounts not been used under MTW.

4.4.1 Federal law requires that at least 75 percent (75%) of the families admitted to RHA's tenant-based and project-based voucher programs during any fiscal year be families who qualify as extremely low-income (see Appendix 2). HUD may approve exceptions to this requirement if RHA demonstrates that it has made all required efforts but has been unable to attract an adequate number of qualified extremely low-income families.

4.4.2 RHA's income targeting requirement does not apply to low-income households continuously assisted as provided for under the 1937 Housing Act.

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

4.4.4 To ensure that this requirement is met, RHA may return a household to the wait list if the household's verified annual income, at final eligibility determination, does not fall under the extremely low-income limit and the household was selected for income targeting purposes before a family with a higher preference.

4.5 UPDATING THE WAIT LIST(S)

To have an adequate number of families and ensure that a viable list of applicants exist, RHA

wait list(s) are reviewed on a regular basis. Wait list reviews will determine if an update and purge are necessary. If an update to the wait list is needed, RHA will notify families of the method and time frames that will be used for the update. The notification will request confirmation of continued interest to remain on all wait lists. Eligible applicants who desire to remain on the wait list(s) must respond to this request to maintain their place on RHA wait list(s).

4.5.1 If an applicant fails to respond within fourteen (14) days, they will be removed from the wait list(s) without further notice.

4.5.2 If the notice is returned by the Post Office with no forwarding address, the applicant will be withdrawn from the wait list(s). If the Post Office returns the notice with a forwarding address, the notice will be forwarded to the address indicated.

4.5.3 RHA provides applicants with a grace period of fourteen (14) days after completion of the update and purge. Applicants who respond during this grace period will be reinstated.

4.5.4 If an applicant is removed from the wait list for failure to respond, they will not be entitled to reinstatement unless a person with a disability requests reasonable accommodation for being unable to reply within the prescribed period.

4.6 TENANT SELECTION

4.6.1 Under MTW, RHA is authorized to determine wait list procedures, tenant selection procedures, criteria, and preferences, including authorizing vouchers for relocation of witnesses and victims of crime that differ from the currently mandated program requirements in the 1937 Act and its implementing regulations.

4.6.2 Tenants will be selected based on preferences and targeting requirements from among eligible households of the size and composition appropriate to available PBV units.

4.6.3 Applicants who are otherwise determined ineligible based on damages or evictions at non-federally subsidized properties will be given an option to attend a Ready to Rent certification program. Successful completion of this program can waive certain eligibility requirements.

4.6.3.1 Ineligible applicants will be provided with the opportunity and must successfully complete the Ready to Rent certification program. Applicants opting to participate in the program are limited to one of the next two consecutive set of classes immediately following the withdrawal of their application.

4.6.3.2 Applicants will remain ineligible and withdrawn from the waiting list

based on RHA's Eligibility for Admission policy. Following completion of the Ready to Rent certification program, ineligibility determinations will be reversed, allowing for reinstatement to the waiting list. Applicants failing to attend either of the Ready to Rent certification programs offered will remain ineligible.

4.6.3.3 Should RHA choose to accept a tenant with a certification of successful completion, special conditions for continued occupancy, including a more frequent inspection schedule, may be established.

4.6.4 In the event of two or more eligible applicants with identical preference status, the date and time sequence of applications will govern selection with the applicant who files earliest being offered the first available voucher.

4.6.5 If an applicant is selected for an interview from separate wait lists, the applicant will be required to select the wait list they would like to be interviewed for. The applicant will be removed from the alternate wait list that was not chosen by the applicant.

4.7 ORDER OF PREFERENCE

HUD permits local preferences to give priority to households who meet specified criteria. RHA uses preferences in conjunction with date and time of application to determine an applicant's placement on the wait list. Preferences must apply at time of eligibility determination. Applicants selected from the wait list based on a preference that cannot be verified at time of eligibility determination will be returned to the wait list based on the date and time of their application without preference consideration. RHA wait list preferences and preference points are listed below:

4.7.1 Involuntary displacement. (150 Points)
Involuntary displacement due to RHA's actions or program regulation including, but not limited to, repositioning of Public Housing and associated relocation, PBV under and over housed households, PBV and VASH transitions to standard HCV.

4.7.1.1 *Priority for HCV and PBV families displaced due to HQS noncompliance.* RHA will provide a preference for HCV and PBV families displaced due to HQS noncompliance in accordance with 24 CFR §§ 982.404(e)(2) and 983.208(d)(6)(ii).

4.7.2 Residency. (50 Points)
Priority will be given to applicants who:

4.7.2.1 Currently reside in Washoe County,

4.7.2.2 Currently work or have recently been hired to work at a job located in Washoe County, or

4.7.2.3 Graduated from or are currently enrolled in an education or training

program located in Washoe County and is designed to prepare them for the job market (within the last six (6) months).

4.7.3 Household composition. (60 Points)
One-person elderly or disabled household will be given a preference over single person applicants. This preference is also given to households with more than one person, including applicants with unborn children.

4.7.4 Lease in place. (50 Points)
Applicants who currently live in Washoe County and whose landlords are willing to accept the rental assistance voucher and provide verification, will be given preference.

4.7.5 Homeless. (40 Points)

4.7.5.1 An individual or family who lacks a fixed, regular, and adequate night-time residence, meaning:

a. Has a primary night-time residence that is a public or private place not meant for human habitation; or

b. Is living in a temporary shelter (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or government programs); or

c. Is exiting an institution where they have resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

4.7.5.2 Any individual or family who:

a. Is experiencing a lack of housing related to fleeing, or attempting to flee, domestic violence; and

b. Has no other residence; and

c. Lacks the resources or support to obtain other permanent housing.

4.7.5.3 *Verification of homeless.*

a. To receive the preference under this definition, applicants must provide:

- Written observation by an outreach worker, or
- Written referral by another housing or service provider, or

- Certification by the individual or head of household seeking assistance that they were living on the streets or in a shelter, or

- For individuals exiting an institution, one of the forms of evidence noted above and:

  - Discharge paperwork or written/oral referral, or

  - Written record of intake worker's due diligence to obtain above.

b. Verification of fleeing or attempting to flee domestic violence. To receive the preference under this definition, applicants must provide:

- An oral statement by the individual or head of household, by self-certification, or by a caseworker. When the safety of the individual or family is not jeopardized, the oral statement must be verified,

- Certification by the individual or head of household that no subsequent residence has been identified, and

- Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks necessary to obtain other permanent housing.

4.7.6 Graduate of Permanent Supportive Housing. (20 Points)
Applicants who provide documentation showing successful completion of a Permanent Supportive Housing Program in Washoe County within the last six (6) months will be given preference.

4.7.7 Veterans status. (20 Points)
Applicants who qualify for this preference must provide verification such as a DD214, VA patient card, or statement from the VA showing that their discharge was anything other than dishonorable.

4.7.8 Site specific preferences may apply and will be clearly defined at time of application.

4.8 VERIFICATION OF PREFERENCE QUALIFICATION

4.8.1 Preferences will be verified and applied after receipt of the application to determine, to the greatest degree possible, appropriate placement on the wait list. Applicants will be asked to provide documentation to support any

preferences claimed. If supporting documentation cannot be provided by the applicant, the preference will not be applied.

4.8.1.1 If a preference does not apply at the time of the applicant interview or if the preference cannot be verified, the applicant will be returned to their proper place on the wait list with the preference removed.

4.8.1.2 The qualification for preference must exist at the time the applicant is determined eligible, regardless of the length of time an applicant has been on the wait list.

4.8.2 If RHA denies a preference, the applicant will remain on the wait list without the benefit of the preference. RHA will notify the applicant of the reasons why the preference was denied and off the applicant an opportunity to request an informal meeting. The applicant will have fourteen (14) days to request the meeting, either in writing or by phone.

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

4.8.3 Change in circumstance. Changes in an applicant's circumstances while on the wait list may affect the household's entitlement to a preference. Applicants are required to notify RHA electronically or in writing when their circumstances change. When an applicant claims an additional preference, s/he will be placed on the wait list in the proper order of their newly claimed preference.

4.8.4 If the applicant falsifies documents or makes false statements to qualify for any preference, they will be removed from the wait list and notified.

4.9 TRANSITIONS BETWEEN SUBSIDIZED HOUSING PROGRAMS

4.9.1 At the family's first eligibility appointment, when it is determined that the applicant is participating in another subsidized housing program, staff will advise the family that RHA will terminate the application process if the applicant is not in good standing.

4.9.2 Staff will continue to communicate with subsidized housing staff as the family proceeds through the eligibility process so that only families in good standing are allowed admission to the PBV program. The move will be coordinated between the staff of both programs so that the family is not a participant of both programs at the same time.

4.9.3 If transitioning from Public Housing, the PBV Tenancy Addendum will not begin until the Dwelling Lease Agreement has been terminated for the previously

assisted unit.

4.9.4 RHA will ask the family to sign an affidavit stating that the family understands that they cannot be a party to two different subsidized units at the same time and that they must relinquish their current unit and leave in good standing to participate in the new program. Failure of the family to sign the affidavit will result in the family being ineligible for the PBV program.

CHAPTER 5: DETERMINATION OF ELIGIBILITY

RHA verifies information that is used to establish the applicant's eligibility and level of assistance. This chapter outlines the steps taken in obtaining and verifying information from applicant families for the purpose of (1) determining whether they meet the eligibility criteria set forth in Chapter 3, (2) applying the tenant selection criteria contained in Chapter 4, (3) determining the rent to be charged in accordance Chapter 7, and (4) determining the size of unit required for the family. [24 CFR Part 5, Subparts B, D, E & F; §§ 982.204; 982.158]

5.1 ESTABLISHING AN APPLICANT POOL

5.1.1 All persons who wish to apply for RHA's PBV programs are encouraged to submit through the online applicant portal. Applicants needing assistance in completing an application, or an alternative method of applying, are encouraged to contact RHA's Admissions Office.

5.1.2 Initial applications will be accepted from all households who are seeking admission to housing assistance programs during open wait list periods. RHA's Executive Director or his/her designee will determine open wait list period(s) in compliance with HUD guidelines. Prior to resumption and/or cessation of an open waitlist period(s), public notification will appear in a newspaper of general circulation indicating the date(s), location, and/or number and/or type of applications being accepted.

5.1.3 After receipt of the initial application, Admissions staff will review the household composition and characteristics of applicants, as defined in Chapter 4 of this plan. Following this preliminary review, applicants will be placed on the wait list for which they applied.

5.1.3.1 Applicants will be placed on the wait list that best matches the bedroom size for the number of members listed on the application. The qualifying bedroom size must be open at time of application to be placed on the list.

5.2 PROCEDURE GOVERNING RECEIPT OF APPLICATIONS

5.2.1 The application constitutes the basic record of each household applying for admission and will reflect the date and time the application was received. Each applicant will be required to supply additional information as called for in the application. Electronic submission of an application and/or signature on a paper application for admission constitutes certification of the accuracy of the information provided.

5.2.2 When a household reaches the top of the wait list, RHA will notify the family. A written request notifying applicants that they must complete an intake certification will be emailed and mailed to those who reach the top of the wait list. Applicants must complete the intake certification by the due date to be

considered for interview. Admissions staff will review the intake certification to determine eligibility for interview.

5.2.2.1 If the household is determined eligible for interview, a written notification stating their interview date and time along with the required documentation to be submitted at the time of the interview will be emailed and mailed.

a. Applicants who do not respond to the intake certification request will be withdrawn from all wait lists.

5.2.2.2 If the household is determined ineligible for interview based on the household and bedroom size of the wait list they were selected from, the applicant will be placed on the appropriate bedroom size wait list provided the wait list was open at time of original application.

a. If the appropriate bedroom size wait list was not open at time of original application, the application will be withdrawn.

5.3 REQUIRED DOCUMENTATION

5.3.1 Required documentation that must be provided during the applicant interview includes:

5.3.1.1 *Proof of identity*. To prevent program abuse, RHA will require applicants to furnish verification of legal identity of all household members. The following two separate proofs of identity are required for each member of the household:

a. Photo ID. A current Department of Motor Vehicle-issued driver's license or identification card, or other state or federally issued picture identification card is required for all adult members of the household.

b. Social Security number. [24 CFR § 5.216]
Applicant must provide an original Social Security card, an original document issued by a federal or state government agency which contains the name of the individual and the SSN of the individual along with other identifying information of the individual, or other documentation as specified in HUD guidance for every member of the household including live-in aides and foster children. Copies of a Social Security card or other forms listing the SSN are not acceptable.

- If a household member has never been issued a SSN, an original birth certificate or other qualifying document to prove identity will be required.

- Qualifying documents must contain identifying information including name, date of birth, and country of birth.
- If a required document cannot be submitted because it has been ordered but not yet received, the receipt verifying that the document has been ordered must be submitted or the interview may be cancelled.
- The names on all forms of documentation must match each other to an extent that proves the individual is who they claim to be.

c. For all minors on the application, one of the following must be provided:

- an original government-issued birth certificate or a certified copy, or
- an original confirmation of birth, or
- an original Social Security birth information printout, or
- a current or recently expired passport (within the last six (6) months from interview date), or
- a valid Certificate of Naturalization, or
- a valid Permanent Resident Alien Card.

5.3.2 Applicants are also required to provide complete and accurate documentation of the following prior to the application being processed for verification.

5.3.2.1 *Household income*. Proof of current household income is needed. Examples include, but are not limited to:

a. Employment. Four (4) weeks of current and consecutive paycheck stubs.

b. Current award letter(s) from Social Security Administration (SSA), showing pension or retirement amounts, unemployment compensation, or welfare cash assistance.

c. Current verification of alimony or child support payments.

d. Net income from a business. Self-employed clients must submit their Self-Employment Worksheets and all required receipts no later than the 10th day of the following month.

5.3.2.2 *Income from assets*. Applicants are allowed to self-declare assets with a combined value less than $50,000 (adjusted annually for inflation – see Appendix 8). If assets exceed this amount, the applicant must bring the following verifications:

a. Current bank statements for all checking and savings accounts

b. Current statements for all investment accounts including:

- Certificates of deposit (CD) documentation
- Stock or bonds documentation

c. Real estate or property documentation

- Interest Income from Mortgages or Similar Arrangements
- Net Rental Income from Property Owned by household

5.3.2.3 Assets disposed of for less than Fair Market Value (FMV) within the preceding two years.

a. If the household certifies that they have disposed of assets for less than FMV, certification is required that shows:

- all assets disposed of for less than FMV,
- the date they were disposed of,
- the amount the household received, and
- the market value of the assets at the time of disposition.

b. Third-party verification will be obtained whenever possible.

5.3.2.4 *Student status.* Documentation of student status must be provided that includes written verification from the registrar's office or other school officials for:

a. Any member of the household who is enrolled in an institution of higher education i.e. university, community college, trade school, etc.

b. Full-time student status for all high school students who are aged 18 or over.

5.3.2.5 *Proof of pregnancy*. A letter from a doctor or the health department verifying an applicant's pregnancy.

5.3.2.6 *Childcare expenses*. If applicant is employed, seeking employment or attending school, they may declare their childcare expenses for children 12 and under. Applicants may not declare expenses paid on their behalf or expenses that they receive reimbursement for.

a. To claim childcare expenses, the applicant must provide documentation showing the name, address, and telephone number of the person/company caring for the child, the names of the children cared for, the number of hours the childcare occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

b. Childcare expenses cannot exceed the value of earned income.

5.3.2.7 *Health and medical care expenses*. All elderly/disabled households that self-certify they incur out of pocket medical expenses will receive a simplified medical deduction based on the household's total gross annual income (Appendix 7). In the event a participant wishes to have their portion of rent calculated based on actual unreimbursed medical expenses contrary to this policy, they must request a hardship exemption in writing after being determined eligible for housing assistance and attending a briefing session.

a. If a hardship exemption is granted, all expense claims will be verified by one or more of the following methods listed below:

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the household and regular payments due on the medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.

- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the household.

- Written confirmation from the Social Security Administration of Medicare premiums to be paid by the household over the next twelve months. A computer printout or information obtained through government databases such as EIV will be accepted.

- Prescription expenses as verified on pharmacy printouts from the last 12 months provided by the client.

5.3.2.8 Proof of disability for determination of preferences, allowances or deductions.

a. Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist or licensed social worker, using the HUD language as the verification format.

5.3.2.9 Familial/marital status when needed for head or spouse definition.

5.3.2.10 *Change in household composition*. RHA may verify changes in household composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, school, DMV records, and other sources.

a. Permanent absence of household member. Any member of the household will be considered permanently absent if s/he is away from the unit for 90 days except as otherwise provided in this policy. It is the responsibility of the head of household to report all changes in household composition.

5.3.2.11 *Verification of reduction of benefits for noncompliance*. RHA will obtain written verification from the welfare agency stating that the household's benefits have been reduced for fraud or noncompliance before denying the household's request for rent reduction.

5.4 APPLICANT INTERVIEW

Applicants must participate in an applicant interview with an RHA representative. The applicant is required to provide complete and accurate information to the interviewer.

5.4.1 All adult members listed on the application must sign RHA's General Release of Information Form, the declarations and consents related to citizenship/immigration status, and any other documents required by RHA during the eligibility determination process.

5.4.1.1 Failure to sign all required documents may be cause for denial of the application for failure to provide necessary certifications and release as required by RHA.

5.4.1.2 All adults listed on the application must sign a consent form to authorize a criminal background check. RHA will review criminal history results in accordance with HUD regulations.
[24 CFR Part 5 subpart J]

a. Eligible HUD-VASH applicants are only screened for sex offender registration status.

5.4.2 If RHA determines at or after the interview that additional information or document(s) are needed, RHA will request the document(s) or information in writing. The household will be given fourteen (14) days to supply the information.

5.4.2.1 If the information is not supplied within fourteen (14) days, RHA will provide the household a notification of denial for assistance.

5.4.3 All adult household members must make themselves available for the interview. Exceptions may be made for adult students attending school out of state or for members for whom attendance would be a hardship.

5.4.3.1 If an applicant fails to make themselves available for the scheduled interview and does not request a second interview, RHA will deny the application.

5.4.3.2 If the applicant responds to the denial letter within fourteen (14) days, RHA will automatically schedule a second interview for the applicant.

a. If the applicant fails to attend the second interview, the application will be denied. The applicant will be denied the right to any further scheduled interviews and must reapply when the wait list is open.

5.4.4 If, during the application interview, it appears that the applicant is definitely not eligible, the applicant is to be informed in writing as to the reasons for ineligibility and the right to an informal review. The application will then be classified as ineligible.

5.4.5 After receipt of initial application, changes affecting applicant information will be recorded and appropriate recalculations completed. Such changes are to be dated with the reason and authority for such changes noted.

5.5 VERIFICATION AND DOCUMENTATION OF APPLICANT/PARTICIPANT DATA

To ensure that determinations of eligibility, priority status, rent to be paid and unit size required are based on full, true and complete, documents submitted by each applicant/participant will be verified. Upon completion of the verification process, a verified applicant pool shall be maintained indicating name, date, time, and preferences. [24 CFR Part 5, subpart B]

5.5.1 Methods of verification. RHA will verify information through the methods of verification acceptable to HUD in the following order of preference, allowing fourteen (14) days for return of verifications before going to the next method.

5.5.1.1 Upfront Income Verification using HUD's *Enterprise Income*

Verification (EIV) System.

5.5.1.2 *Upfront Income Verification using non-HUD system.*
This includes information obtained through computer matching such as the Work Number.

5.5.1.3 *Written Third-Party Verification.*
An original or authentic document generated by a third-party source dated within the 120-day period preceding the recertification or RHA request date. In cases where all documents are viewed, but cannot be photocopied, staff viewing the documents will complete a certification statement. RHA will accept verifications in the form of computerized printouts provided by the household.

Stable income verifications such as pensions and Social Security award letters are valid for the current year unless there has been a change to the benefit.

a. RHA will reject a document for the following reasons:

- The original document has been altered, mutilated, or is not legible.
- The document does not appear to be authentic.

5.5.1.4 *Written Third-Party Verification Form.*
Written Third-party verification form is used to verify information directly with the source. Written third-party verification forms are sent and returned via first class mail, fax, online, or a combination of methods.

a. Verifications received electronically directly from the source are considered third-party written verifications.

5.5.1.5 *Oral Third-Party.*
Oral third-party verifications may be used when written third-party is not possible. When third-party oral verification is used, staff will be required to originate the call, complete a form noting with whom they spoke, the date of the conversation, and the facts provided.

a. Oral third-party may be used to clarify information provided on the written third-party.

5.5.1.6 *Certification/Self-Declaration.*
When verification cannot be made by the above verification methods, households will be required to submit a written certification/self-declaration.

a. For cases involving self-employment, clients will be required to provide sales and expense receipts for their business. All information must be completed on a Self-Employment Worksheet and all documentation showing gross income and any deductions claimed must be attached.

5.6 SUMMARY OF VERIFICATION DATA

Verification data is to be reviewed and evaluated as received for completeness, accuracy, and conclusiveness. Where the information received is not complete, follow-ups or new efforts to obtain such information will be made. If, during the verification process, it becomes evident that for one or more reasons an applicant is ineligible, the investigation will be discontinued and the applicant will be notified of his/her ineligibility, the reasons thereof, and of their right to an informal review.

5.6.1 As a part of the application record for each household determined to be eligible for admission, RHA staff will complete a Summary of Verification Data and sign the Eligibility Certification verifying completeness. The summary outlines the following determinations:

5.6.1.1 Eligibility of the applicant as a family.

5.6.1.2 Eligibility of the family with respect to income limits for admission.

5.6.1.3 Eligibility as a U.S. citizen or national or eligible immigration status (see Appendix 1).

5.6.1.4 Size of unit to which the family should be assigned.

5.6.1.5 Preference and priority status, if any, of the family.

5.6.1.6 Violations of any other eligibility criteria.

5.7 NOTIFICATIONS RELATED TO ELEGIBILITY

5.7.1 Applicants are required to inform RHA of changes to their application in writing. Applicants are also required to respond to requests from RHA to update information on their application and to determine their continued interest in assistance.

5.7.2 In the event it becomes necessary to defer eligibility determinations, applicants will be notified. Notifications will include the reasons thereof.

5.7.2.1 Until a final determination is made, an applicant will be notified of the status of their application upon their request.

5.7.3 If determined to be ineligible for admission, the applicant is to be informed in writing of the determination and of their right to an informal review.

5.7.3.1 The reasons for any ineligible determination will be included in the written notification. Requests for an informal review must be made by the applicant within five (5) days following the determination.

5.8 RECHECKING VERIFIED FINDINGS

5.8.1 If there is a delay after the file has been referred to the Rental Assistance Office that would cause the applicant to not lease the PBV unit within 120 days of the oldest verification, the file will be sent back to Admissions while staff reverifies the information.

5.8.2 Applicants must report any changes within fourteen (14) days of the occurrence. If changes are reported late, the file will be referred to the Admissions Office to obtain written verification and to determine their effect on eligibility, rent, and unit size.

CHAPTER 6: BRIEFING SESSIONS

When a household is selected to participate in a voucher program, RHA must give the household an oral briefing. The purpose of a briefing session is to enable the household to fully understand all aspects of the program which will affect them. [24 CFR § 982.301]

6.1 SESSION INFORMATION

6.1.1 Conducting a briefing session. Sessions will be conducted orally, either in-person or remotely, individually or in a group setting. Households are provided with ample time for any follow-up questions or individual assistance, if needed.

6.1.1.1 In briefing a household that includes any disabled person, RHA will take appropriate steps to ensure effective communication in accordance with 24 CFR Part 35, subpart E and § 8.6.

6.1.1.2 Those with disabilities or without access to the technology necessary to attend a remote briefing session will be accommodated upon request with proper documentation.

6.1.2 Required attendance. RHA encourages all adult household members to attend the briefing however, only the head of household is required. Should adult household members fail to attend, they will be required to sign a form acknowledging that they have read the information provided to the head of household and agree to abide by it.

6.1.3 Missed appointments and rescheduling. Applicants who provide prior notice of inability to attend a briefing will automatically be rescheduled for the next briefing. Applicants who fail to attend two (2) scheduled briefings, without prior notification and approval of RHA, may be denied admission based on failure to supply information needed for certification.

6.1.4 Following the briefing. RHA will reconfirm the household's composition and critical information about income and allowances. If significant changes have occurred, the file is returned to the Admissions Office to reverify and recertify all changes.

6.2 BRIEFING SUBJECT MATTER

6.2.1 The briefing must include information on the following subjects:

6.2.1.1 A description of how the program works,

6.2.1.2 Family and owner responsibilities, and

6.2.1.3 Family right to move.

6.3 INFORMATION PACKET

6.3.1 When a household is selected to participate in the program, RHA will give the household a packet that includes documents and information that comply with all HUD requirements. RHA also includes other information and/or materials which are not required by HUD. This information packet includes the following subjects:

6.3.1.1 How RHA determines the total tenant payment for the family.

6.3.1.2 Household obligations under the program, including the grounds on which RHA may terminate assistance because of household action or failure to act

6.3.1.3 Information on federal, state and local equal opportunity laws, the contact information for the Section 504 Coordinator, a copy of the housing discrimination complaint form, and information on how to request a reasonable accommodation or modification (including information on requesting exception payment standards as a reasonable accommodation) under Section 504, the Fair Housing Act, and the Americans with Disabilities Act.

a. RHA will also include the pamphlet "Fair Housing: It's Your Right" and other information about fair housing laws and guidelines, as well as the phone numbers of the local fair housing agency and the HUD FHEO office.

6.3.1.4 RHA subsidy standards, including when exceptions to the standards are allowed by 24 CFR § 982.402(b)(8), and when exceptions are required as a reasonable accommodation for persons with disabilities under Section 504, the Fair Housing Act, or the Americans with Disabilities Act.

6.3.1.5 Informal hearing procedures that describe when RHA is required to give a participating household the opportunity for an informal hearing and how to request a hearing.

6.3.1.6 Violence Against Women Act (VAWA) HUD Notice of Occupancy Rights (HUD 5380) and accompanying certification form (HUD 5382).

6.4 RHA'S POLICY ON RELEASE OF TENANT INFORMATION

6.4.1 In accordance with 24 CFR § 982.307(b)(1)(2)(3), RHA is required to provide prospective landlords with the address of a voucher applicant and the names and addresses of the current and previous landlords, if known, when requested. RHA will inform landlords that it is their responsibility to determine the suitability of prospective tenants. Landlords will be encouraged to screen applicants for rent payment history, eviction history, damage to units, and other factors related to

the household's suitability as a tenant. Upon request, RHA will provide documented information regarding tenancy history for the past five (5) years to prospective landlords. RHA may provide oral or written tenant/household information, based on documentation in its possession, of the information above and the list below:

6.4.1.1 Balance of money owed.

6.4.1.2 Termination for violation of family obligations and reasons for the termination.

6.4.1.3 Damages caused to a unit.

6.4.1.4 Involvement with fraud, bribery, or other corrupt or criminal acts.

6.4.1.5 Serious or repeated violation(s) of the signed lease agreement.

6.4.1.6 Drug trafficking by household members.

6.4.2 If an assisted household moves out of a unit owing money to a previous landlord, RHA will release the household's current address, if known, to the previous landlord.

6.4.3 RHA will limit the release of information to the above items. This policy on providing information to landlords is included in the PBV program briefing packet and will apply uniformly to all tenants/households and landlords.

6.4.4 RHA will make an exception to this requirement if the household's whereabouts must be protected due to domestic abuse or witness protection. [24 CFR Part 5 Subpart L]

CHAPTER 7: INCOME AND RENT DETERMINATIONS

A family's income determines eligibility for assistance and the family's rent portion. This chapter defines annual income and the allowable deductions from annual income used to determine the family's adjusted annual income. The accurate calculation of annual income and adjusted income ensures that only eligible families receive assistance and that no family pays more or less than their obligation under this policy and the MTW agreement. [24 CFR Part 5, Subparts E and F; §§ 5.609, 982.153 and 982.551]

7.1 ANNUAL INCOME

Annual income includes all amounts received from all sources by each member of the family (even if temporarily absent) who is 18 years of age or older, the head of household, spouse or co-head, plus unearned income received by or on behalf of each dependent who is under 18 years of age, unless otherwise excluded for in 24 CFR § 5.609 or RHA's MTW Plan, where applicable. This includes the income of a day laborer, independent contractor, or seasonal worker.

The rules on which sources of income are counted vary by family member as summarized in the following table:

Summary of Income Included and Excluded by Person	
Head, spouse, cohead, or other adult family members	All sources of income not specifically excluded by regulations are included. [24 CFR § 5.609(a)(1)]
Children under 18 years of age	Earned income is excluded. [24 CFR § 5.609(b)(3)] Unearned income is included. [24 CFR § 5.609(a)(1)]
Full-time students 18 years of age or older (not head, spouse, or co-head)	Employment income in excess of the amount of the deduction for a dependent is excluded. All other sources of income, except those excluded by regulations, are included. [24 CFR § 5.609(b)(14)]
Live-in aides, Foster child or foster adult	Income from all sources is excluded. [24 CFR § 5.609(b)(8)]

7.1.1 Annual income includes, but is not limited to:

7.1.1.1 *Earned income*. The full amount, before any payroll deduction, of wages and salaries, overtime pay, commissions, fees, tips, and bonuses, and other compensation for personal services as determined using the most recent four (4) weeks of paycheck stubs.

a. Income earned as a day laborer, independent contractor, or seasonal worker are included in annual income.

b. For commissions or bonuses if the employer does not disclose the anticipated amount, the previous year's amount will be used.

7.1.1.2 The earnings of full-time students, over 18 years of age, up to the amount of the deduction for a dependent. This does not apply to full-time students, over 18 years of age, who are the head of household, co-head, or spouse.

a. Households with dependent family members who are full-time students with earnings more than the amount of the dependent deduction must submit a self-certification as to the annual amount of income earned by the student. The amount of earnings in excess of the amount of the deduction will be excluded.

7.1.1.3 The portion of money from federal work-study programs paid by the employer.

7.1.1.4 The net income from operation of a business or profession including self-employment. Net income equals gross income, minus expenses.

a. Participants cannot deduct expenses for business or profession expansion or paying off capital debt when determining net income. However, participants may deduct depreciation of assets used in a business based on the straight-line depreciation (provided in Internal Revenue Service regulations).

b. Any withdrawal of cash or assets from the business or profession will be included as income, unless it is repayment or reimbursement of cash or assets invested in the business by the household.

c. RHA requires business gross sales and expense receipts to determine the net income of the operation. For gas expenses related to the operation of a vehicle, RHA will use the odometer readings provided by the household and apply the most current IRS Mileage Rate. This rate takes into consideration routine maintenance/expenses (such as tires and oil) so these expenses will not be considered separately.

- The owner must be able to prove that expenses are related to the business and are reasonable per Internal Revenue Service regulations.

d. Self-employed clients must submit their Self-Employment

Worksheets and all required receipts no later than the 10th day of the following month.

- Staff will use a three-month average of Self-Employment income when determining the calculation of TTP at the annual recertification.

7.1.1.5 *Asset income*. Amounts from assets to which the family members have access are included as annual income. This includes all anticipated income from assets and the imputed returns on net family assets when the net family assets exceed $50,000 or the amount published by HUD as adjusted annually for inflation (see Appendix 8).

a. Where the household has net household assets in excess of $50,000 (adjusted annually for inflation – see Appendix 8), annual income shall include the actual income derived from all net household assets and a percentage of the value of any assets where actual income cannot be determined, based on the current passbook savings rate, as determined by HUD (see Appendix 8). Balances of assets over $50,000 (adjusted annually for inflation – see Appendix 8) shall be determined by client-supplied documentation dated within 60 days of the certification or interview for annual recertification.

b. Households with assets less than $50,000, adjusted annually for inflation (see Appendix 8) must submit a self-certification as to the value of the asset. Any actual income derived from the assets will be excluded.

c. Income calculation from assets is always anticipated, regardless of the household's certification type. For each household certification, assets include:

- Amounts in savings and checking accounts. When determining the value of a checking or savings account, the current balance will be used.

- The cash value of revocable trusts when the guarantor is part of the assisted household or the trust is under the control of the family.

  - Any distributions of the principal from the trust, unless the distributions of income are used to pay for the costs of health and medical expenses for a minor.

  - Assets placed by the family in non-revocable trusts are considered assets disposed of for less than fair market

value.

- Stocks, bonds, savings certificates, money market funds, cryptocurrency, and other investment accounts.
    - In determining the value of an investment account, the value of the account on the most recent investment report will be used.
    - 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 household.
- Interest, dividends and other net income of any kind from real or personal property.
- Equity in real property (land owned or bequeathed) or other capital investments.
    - Real property will always be included in net family assets, regardless of its value, unless the real property meets a different exclusion under 24 CFR § 5.603. This includes interest, dividends, and other net income of any kind from real property.
    - Expenses to convert real property to cash may include such costs as broker fees, sales commissions, settlement costs and transfer taxes.
    - RHA will use a 5% broker fee if no actual cost documentation is provided.
- Assets that, although owned by more than one person, allow unrestricted access by the applicant.
    - If an asset is owned by more than one person and any family member has unrestricted access to the asset, the full value of the asset will be used.
    - If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, RHA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, RHA will prorate the asset evenly among all owners.

- One-time lump sum payments such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlements for personal or property losses when retained and verified.

- Non-necessary items of personal property, (such as gems, jewelry, coin collections, antique cars, etc.) with a combined value exceeding $50,000 (adjusted annually for inflation – see Appendix 8).

    - Interest, dividends, and other net income of any kind from personal property.

- Cash value of whole life insurance policies.

d. Assets disposed of for less than FMV in the preceding two years. For all certifications, RHA will obtain the household's self-certification as to whether any member has disposed of assets for less than FMV during the two (2) years preceding the effective date of the certification.

- When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual certifications, the family may request an interim recertification to eliminate consideration of the asset(s).

- Assets placed by the family in non-revocable trusts are considered assets disposed of for less than fair market value.

e. Distributions of interest earned on a trust account principal balance unless the distributions are used to pay for the health and medical care expenses of a minor.

7.1.1.6 *Periodic payments*. The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.

a. Lump-sum or prospective monthly payments caused by delays in processing periodic payments for Social Security, SSI or VA Pensions <u>are not</u> counted as income. [CFR § 5.609(b)(16)]

b. If a Social Security recipient's benefits are reduced to make up for prior overpayments, the income will only include the

amount of income SSA will provide.

7.1.1.7 Payments in lieu of earnings, such as unemployment and disability compensation, and severance pay. Lump-sum payments caused by delays in processing periodic payments (unemployment or welfare assistance benefits) are counted as income.

a. If the lump-sum income covers a period prior to the Household's admission into the program, the portion covered in this prior period should not be treated as income.

7.1.1.8 Some public assistance payments.

7.1.1.9 Periodic and determinable allowances, such as alimony and child support payments. Lump sums for these sources shall also be included as income unless the payment covers a period prior to the Household's admission into the program.

a. RHA will use the amount of child support or alimony actually received by the household, regardless of court order.

b. If the Household reports a loss of child support, RHA will process the decrease as outlined in Chapter 13 of this Plan.

- Household failure to report subsequent increases or resumption of child support payments may result in a debt owed to RHA for overpaid assistance.

7.1.1.10 Regular contributions and gifts received from persons outside the household. Any contribution or gift expected to be received beyond the coming year (i.e., the 12 months following the effective date of the certification) will be considered a "regular" contribution or gift.

a. This includes rent and utility payments made on behalf of the household and other cash or non-cash contributions provided on a regular basis, including those paid out of a Special Needs Trust.

b. This does not include casual contributions, sporadic gifts, non-monetary in-kind donations (e.g., food, clothing, or toiletries), or gifts for significant life events or milestones.

7.1.1.11 All regular pay, special pay and allowances (such as longevity, overseas duty, rental allowances, allowances for dependents, etc.), received by a member of the Armed Forces, whether or not living in the unit, who is the head of household or spouse or other person whose dependents are residing in the unit.

a. Exceptions to this rule are hazardous duty pay when exposed to hostile fire, and any other exception to military pay as defined by HUD.

7.1.1.12 Payments to the head of the household for support of a minor (child support), or payments nominally to a minor for their support but controlled for their benefit by the head of the household, member other than the head, who is responsible for their support.

7.1.1.13 Wages from employment with RHA or resident organization. Upon employment with RHA or officially recognized Resident Organization, the full amount of employment income received by the person is counted. There is no exclusion of income for wages funded under the 1937 Housing Act Programs.

7.1.1.14 Income of person permanently confined to a nursing home. If a household member is permanently confined to a hospital or nursing home and there is a household member left in the household, RHA will calculate the income by using the following methodology:

a. Exclude the income and deductions of the member if their income goes directly to the facility.

b. Include the income and deductions of the member if their income goes to a household member.

7.2 SEASONAL OR IRREGULAR INCOME

When annual income is derived from known seasonal or irregular employment and income cannot be anticipated for a full 12 months, RHA will require a 12-month history of the household's income from past years. RHA will notify the household that no interim reexaminations will be conducted.

7.3 ANNUAL INCOME EXCLUSIONS

RHA will not require tenant supplied documentation or request third-party verification for income that is fully excluded. RHA will continue to require that households provide supporting documentation and/or RHA will request third-party verification for partially excluded annual income.

7.3.1 Annual income does not include the following [24 CFR § 5.609(b)]:

7.3.1.1 *Assets*. [24 CFR §§ 5.609(b)(1) and 5.609(b)(2)]

a. Any imputed return on an asset when net family assets total $50,000 (adjusted annually for inflation, see Appendix 8) or less and no actual income from the net family assets can be determined. Households with assets less than $50,000 must submit a self-certification as to the value of the asset. Any

actual income derived from the assets will be excluded.

b. The cash value of a revocable trust under the control of the family or household.

c. Distributions of principal or corpus from a trust outside the control of the assisted household are excluded from the definition of net family assets under 24 CFR § 5.603(b) when the distributions of income from the trust are used to pay the costs of health and medical care expenses for a minor.

7.3.1.2 Income from employment of children (including foster children) under the age of 18 years. [24 CFR § 5.609(b)(3)]

7.3.1.3 Payments received for the care of foster children or foster adults (usually individuals with disabilities, unrelated to the tenant household, who are unable to live alone) and kinship or guardianship care payments that are alternatives to traditional foster care programs. [24 CFR § 5.609(b)(4)]

7.3.1.4 *Insurance payments or settlements*. [24 CFR § 5.609(b)(5)] Insurance payments and settlements for personal or property losses, including but not limited to payments under health insurance, motor vehicle insurance, and worker's compensation.

a. Periodic payments paid at regular intervals (such as weekly, monthly, or yearly) for more than 12 months that are received in lieu of wages for workers' compensation continue to be included in annual income.

7.3.1.5 Amounts received by the household that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member. [24 CFR § 5.609(b)(6)]

7.3.1.6 Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled. [24 CFR § 5.609(b)(7)]

7.3.1.7 Income of a live-in aide, foster child, or foster adult. [24 CFR § 5.609(b)(8)]

7.3.1.8 *Student financial assistance*. The full amount of student financial assistance paid directly to the student or to the educational institution as approved by HUD and provided in RHA's MTW Plan, as applicable. [24 CFR § 5.609(b)(9)]

7.3.1.9 Income and distributions from any Coverdell education savings account under Section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under Section 529 of such Code; and income earned by government contributions to, and distributions from, "baby bond" accounts created, authorized, or funded by Federal, State, or local government.
[24 CFR § 5.609(b)(10)]

7.3.1.10 The special pay to a family member serving in the Armed Forces who is exposed to hostile fire. [24 CFR § 5.609(b)(11)]

7.3.1.11 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). [24 CFR § 5.609(b)(12)(i)]

7.3.1.12 Amounts received by a participant in other publicly assisted programs which are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program.
[24 CFR § 5.609(b)(12)(iii)]

7.3.1.13 *Amounts received under a resident service stipend*. A resident service stipend (not to exceed $200 per month) is a modest amount received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. [24 CFR § 5.609(b)(12)(iii)]

a. No resident may receive more than one such stipend during the same period of time.

7.3.1.14 Incremental earnings and benefits resulting to any family member from participation in training programs funded by HUD or in qualifying Federal, State, Tribal, or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives. These amounts are excluded only for a limited period, determined in advance. 24 CFR 5.609(b)(9)(i)

7.3.1.15 Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. [24 CFR § 5.609(b)(13)]

7.3.1.16 *Earned income of dependent full-time students*. Earned income

(employment) of dependent full-time students more than the amount of the deduction for a dependent. Full-time students must be dependent family members and not the head of household, spouse, or co-head. [24 CFR § 5.609(b)(14)]

7.3.1.17 Adoption assistance payments in excess of the amount of the deduction for a dependent. [24 CFR § 5.609(b)(15)]

7.3.1.18 Deferred periodic payments of supplemental security income, social security benefits and VA pensions that are received in a lump sum payment or in prospective monthly amounts. [24 CFR § 5.609(b)(16)]

7.3.1.19 Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance. This exclusion applies only to the veterans in need of regular aid and attendance and not to other beneficiaries of the payments, such as a surviving spouse. [24 CFR § 5.609(b)(17)]

7.3.1.20 Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the unit. [24 CFR § 5.609(b)(18)]

7.3.1.21 Payments made or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family through the State Medicaid agency (including through a managed care entity) or other State or Federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit. [24 CFR § 5.609(b)(19)]

7.3.1.22 Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g. proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car). [24 CFR § 5.609(b)(20)]

7.3.1.23 Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other federal law. [24 CFR § 5.609(b)(21)]

7.3.1.24 Replacement housing "gap" payments made in accordance with 49 CFR part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to

another Federally subsidized housing unit.
[24 CFR § 5.609(b)(23)]

a. Such replacement housing "gap" payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing "gap" payments.

7.3.1.25 *Non-recurring income*. [24 CFR §§ 5.609(b)(24) and 891.105] Defined as income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker **is not excluded** from income under this paragraph, even if the source, date, or amount of the income varies. Nonrecurring income includes, but is not limited to:

a. Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment.

b. Direct Federal or State payments intended for economic stimulus or recovery.

c. Amounts directly received by the family as a result of Federal or State refundable tax credits or tax refunds at the time they are received.

d. Gifts for holidays, birthdays, or other significant life events or milestones (e.g. wedding gifts, baby showers, anniversaries) and non-monetary, in-kind donations.

e. Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

7.3.1.26 Civil rights settlements or judgments, including settlements or judgments for back pay. [24 CFR § 5.609(b)(25)]

7.3.1.27 Income received from any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals; except that any distribution of periodic payments from such accounts shall be income at the time they are received by the family. [24 CFR § 5.609(b)(26)]

7.3.1.28 Income earned on amounts placed in a family's Family Self Sufficiency account. [24 CFR § 5.609(b)(27)]

7.3.1.29 Gross income a family member receives through self-employment or operation of a business. Gross includes all income amounts received into the business, prior to the deduction of business expenses. Net income is the "gross income amount minus business expenses" that allow the business to operate. While gross income is excluded, net income is considered income. [24 CFR §§ 5.609(b)(24) and 5.609(b)(28)]

7.3.1.30 *Federally mandated exclusions*. Amounts that HUD is required by Federal statute to exclude from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR § 5.609(b) apply. HUD will publish a notice in the Federal Register to identify the benefits that qualify for this exclusion. Updates will be published when necessary. The following is based on the notice published January 31, 2024:

a. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977. This exclusion also applies to assets.

b. Payments, including for supportive services and reimbursement of out-of-pocket expenses, for volunteers under the Domestic Volunteer Service Act of 1973 are excluded from income except that the exclusion shall not apply in the case of such payments when the Chief Executive Officer of the Corporation for National and Community Service determines that the value of all such payments, adjusted to reflect the number of hours such volunteers are serving, is equivalent to or greater than the minimum wage then in effect under the Fair Labor Standards Act of 1938 or the minimum wage, under the laws of the State where such volunteers are serving, whichever is the greater. This exclusion also applies to assets.

c. Certain payments received under the Alaska Native Claims Settlement Act. This exclusion also applies to assets.

d. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes. This exclusion also applies to assets.

e. Payments or allowances made under the Department of

Health and Human Services' Low-Income Home Energy Assistance Program. This exclusion also applies to assets.

f. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians. This exclusion also applies to assets.

g. The first $2,000 of per capita shares received from judgment funds awarded by the National Indian Gaming Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, and the first $2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands. This exclusion does NOT include proceeds of gaming operations regulated by the Commission. This exclusion also applies to assets.

h. Amounts of student financial assistance funded under title IV of the Higher Education Act of 1965, including awards under Federal work-study programs or under the Bureau of Indian Affairs student assistance programs.

i. Payments received from programs funded under Title V of the Older Americans Act of 1965.

j. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent Orange Product Liability Litigation*, M.D.L. No. 381. This exclusion also applies to assets.

k. Payments received under the Main Indian Claims Settlement Act of 1980. This exclusion also applies to assets.

l. The value of any childcare provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990.

m. Earned income tax credit refund payments received on or after January 1, 1991, for programs administered under the United States Housing Act of 1937, title V of the Housing Act of 1949, Section 101 of the Housing and Urban Development Act of 1965, and Sections 221(d)(3), 235, and 236 of the National Housing Act. This exclusion also applies to assets.

n. The amount of any refund (or advance payment with respect to a refundable credit) issued under the Internal Revenue

Code is excluded from income and assets for a period of 12 months from receipt.

o. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation. This exclusion also applies to assets.

p. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990.

q. Any allowance paid to children of Vietnam veterans born with spina bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean and Thailand service veterans born with spina bifida is excluded from income and assets.

r. Any amount of crime victim compensation that provides medical or other assistance (or payment or reimbursement of the cost of such assistance) under the Victims of Crime Act of 1984 received through a crime victim assistance program, unless the total amount of assistance that the applicant receives from all such programs is sufficient to fully compensate the applicant for losses suffered as a result of the crime. This exclusion also applies to assets.

s. Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998 reauthorized as the Workforce Innovation and Opportunity Act of 2014.

t. Any amount received under the Richard B. Russell School Lunch Act and the Child Nutrition Act of 1966, including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants, and Children (WIC). This exclusion also applies to assets.

u. Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990. This exclusion also applies to assets.

v. Payments from any deferred US Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

w. Any amounts (i) not actually received by the family, (ii) that

would be eligible for exclusion under 42 U.S.C. 1382b(a)(7), and (iii) received for service-connected disability under 38 U.S.C. chapter 11 or dependency and indemnity compensation under 38 U.S.C. chapter 13 as provided by an amendment by the Indian Veterans Housing Opportunity Act of 2010 to the definition of income applicable to programs under the Native American Housing Assistance and Self-Determination Act.

x. A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case entitled *Elouise Cobell et al. v. Ken Salazar et al.* for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010. This exclusion also applies to assets.

y. Any amounts in an "individual development account" are excluded from assets and any assistance, benefit, or amounts earned by or provided to the individual development account are excluded from income, as provided by the Assets for Independence Act, as amended.

z. Per capita payments made from the proceeds of Indian Tribal Trust Settlements listed in IRS Notice 2013-1 and 2013-55 must be excluded from annual income unless the per capita payments exceed the amount of the original Tribal Trust Settlement proceeds and are made from a Tribe's private bank account in which the Tribe has deposited the settlement proceeds. Such amounts received in excess of the Tribal Trust Settlement are included in the gross income of the members of the Tribe receiving the per capita payments as described in IRS Notice 2013-1. The first $2,000 of per capita payments are also excluded from assets unless the per capita payments exceed the amount of the original Tribal Trust Settlement proceeds and are made from a Tribe's private bank account in which the Tribe has deposited the settlement proceeds.

aa. Federal assistance for a major disaster or emergency received by individuals and families under the Robert T. Stafford Disaster Relieve and Emergency Assistance Act and comparable disaster assistance provided by States, local governments, and disaster assistance organizations. This exclusion also applies to assets.

bb. Any amount in an Achieving Better Life Experience (ABLE) account, distributions from and certain contributions to an ABLE account established under the ABLE Act of 2014, as

described in Notice PIH 2019-09 or subsequent or superseding notice is excluded from income and assets.

cc. Assistance received by a household under the Emergency Rental Assistance Program pursuant to the Consolidated Appropriations Act, 2021. This exclusion also applies to assets.

7.4 ADJUSTED INCOME

Adjusted income [24 CFR § 5.611] is the annual income of the members of the family residing or intending to reside in the unit, after making the following deductions:

7.4.1 Dependent allowance. $480 each (adjusted for inflation – see Appendix 8) for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled.

7.4.2 Elderly/disabled allowance. $400 (adjusted for inflation – see Appendix 8) per household for households whose head or spouse is 62 or over or disabled.

7.4.3 Allowable health and medical care expenses. All elderly/disabled households who self-certify they pay out of pocket health and medical care expenses, will receive a simplified medical deduction based on the household's total gross annual income (see Appendix 7).

7.4.3.1 In the event a participant wishes to have their portion of rent calculated based on actual unreimbursed health and medical care expenses contrary to this policy, they must request a hardship exemption in writing.

7.4.3.2 To be considered for a hardship, participants must meet the following criteria: 1) household's monthly rent is no less than RHA's established minimum rent; 2) third party documentation must be provided detailing all anticipated health and medical care expenses including monetary amounts and frequency.

a. If any part of the established criteria is not met, a hardship will not be granted.

7.4.3.3 The determination of allowable health and medical care expenses under an approved Hardship are as follows:

a. A deduction of health and medical care expenses in excess of three percent of annual income not compensated for or covered by insurance (including anticipated expenses for the next 12 months, payments on accumulated major medical bills, dental expenses, prescription medicines, transportation expenses directly related to medical treatment, eyeglasses

and contacts, medical insurance premiums, hearing aids and batteries, cost of live-in assistance).

b. Nonprescription medicines must be prescribed by a doctor or licensed health professional in order to be considered a medical expense.

c. Unreimbursed health and medical care expenses of all household members in households whose head or spouse is elderly or disabled;

d. Only third-party verified health and medical care expenses will be used with the following exceptions:

- Prescriptions. The total participant paid amount on a print-out from a pharmacy for the most recent 12-month period may be submitted.

- Over-the-counter medicines with prescription by a doctor or licensed health care provider will be given in accordance with the store printout of the last 12 months or the total on receipts dated within the last 12 months. The total of the receipts will be used and not multiplied by any number in an attempt to forecast prescription usage.

- Eyeglasses and/or contacts. Deduction is based on receipts.

- Credit Card payments will be allowed only if the original charge can be traced back to medical expense. Only the original charge will be given and no interest will be allowed as a deduction. Client can provide documentation that regular monthly payments are being made. All payments will be assumed towards medical expense first, so medical expense is capped by original charge minus all payments made to date.

7.4.4 Childcare expenses. Reasonable childcare expenses deducted for the care of children under 13 when childcare is necessary to allow an adult member to work, attend school, or actively seek employment.

7.4.4.1 Childcare must be reasonable. Reasonable is determined by what the average childcare rates are in RHA's jurisdiction. RHA will survey the local providers in the community to determine what is reasonable.

a. RHA will use the collected data as a guideline. If the hourly rate materially exceeds the guideline, RHA may calculate the allowance using the guideline.

7.4.4.2 The maximum childcare expense allowed cannot exceed the amount earned by the person enabled to work which is included in the household's annual income. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.

7.4.4.3 In the case of childcare for school, the number of hours claimed for childcare may not exceed the number of hours the household member is attending school, including reasonable travel time to and from school.

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

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

7.4.5 Allowable disability assistance expenses. Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult household member to work, and if the expenses exceed three percent of the household's annual income. Equipment and auxiliary apparatus may include but are not limited to: wheelchairs, lifts, reading devices for visually impaired persons, and equipment added to vehicles to permit use by the disabled household member.

7.4.5.1 For non-elderly households and elderly households without medical expenses: the amount of the deduction equals the cost of all un-reimbursed expenses for attendant care or auxiliary apparatus less three percent (3%) of Annual Income, provided the amount so calculated does not exceed the employment income earned.

7.4.5.2 For elderly households with medical expenses: the amount of the deduction equals the cost of all unreimbursed expenses for attendant care or auxiliary apparatus less three percent (3%) of Annual Income, provided the amount does not exceed earnings plus medical expenses as defined in this section.

7.5 SAFE HARBOR VERIFICATIONS

7.5.1 RHA may determine the family's income, including the income from assets, at an annual or interim recertification prior to any deductions, based on income determinations made within the previous 12-month period for purposes of the following means-tested forms of public assistance:

7.5.1.1 The Low-Income Housing Tax Credit (26 U.S.C. 42).

7.5.2 RHA will use the most recent third-party income determination within the past 12 months as long as the household size matches what is on file with RHA and the household's gross income is listed.

7.5.3 If RHA uses a means-tested verification for a recertification, they will not use the EIV Income Report, New Hires Report, or Income Discrepancy Report to verify the family's annual income.

7.5.4 If the family disputes the means-tested determination, RHA will calculate the annual income in accordance with the policies in this chapter and 24 CFR part 5, subpart F.

7.6 FORMULAS FOR CALCULATIONS OF TOTAL TENANT PORTION (TTP)

Income and TTP are calculated in accordance with 24 CFR Part 5, subparts E and F, RHA's MTW Plan where applicable, and through further instructions set forth in HUD Notices. If the family is occupying a unit that has tenant-paid utilities, the utility allowance is subtracted from TTP. The result of this calculation is the tenant contribution to rent.

7.6.1 TTP formula. [24 CFR § 5.628]
The formula for the calculation of TTP is specific and not subject to interpretation. In the PBV program the "minimum household contribution" must be the greater of:

7.6.1.1 30 percent (30%) of the adjusted monthly income,

7.6.1.2 10 percent (10%) of the family's monthly income, or

7.6.1.3 a minimum rent of $100 as set by RHA, except in the HUD-VASH program.

7.7 UTILITY ALLOWANCE SCHEDULE AND UTILITY REIMBURSEMENT PAYMENTS

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

7.7.1 The same utility allowance schedule is used for regular tenancy, over-FMR tenancy, and voucher tenancy programs (see Appendix 5).

7.7.2 RHA reviews the utility allowance schedule annually. If the review finds a utility rate has changed by 10 percent (10%) or more since the last revision of the utility allowance schedule, the schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant household's rent calculation at their next annual recertification. The approved utility allowance schedule is given to households along with their voucher and is based on the actual unit size

selected or voucher size, whichever is lower.

7.7.3 Only in the HUD-VASH program, when the utility allowance exceeds the household's total tenant payment, will RHA provide a utility reimbursement payment for the household each month. The payment will be made out directly to the tenant.

7.7.4 RHA staff will inspect all complexes identified by owners to have an Energy Efficient System (EES) or will accept either a certified Home Energy Rating System (HERS) rating report, the Nevada Housing Division report, or equivalent meeting HUD energy efficient standards to verify energy efficiency status. PBV units in these complexes will be given the EES utility allowance based on the lower of, the voucher size or bedroom size, as stated in the Standardized Utility Allowance Schedule (Appendix 5).

7.7.4.1 An EES utility allowance may be applied when an entire building meets Leadership in Energy and Environmental Design (LEED) or Energy Star standards.

7.8 MINIMUM INCOME

There is no minimum income requirement. Households who report zero income are required to complete a self-certification of zero income at admission and at reexamination. No further verification will be required.

7.8.1 If the household's expenses exceed known income, RHA will make inquiry of the head of household as to the nature of the household's accessible resources, and documentation of expenditures may be required.

7.9 MINIMUM FAMILY CONTRIBUTION

The minimum family contribution, also known as minimum rent, in the PBV program is $100, except where noted in this policy. This includes the combined amount (TTP) a household pays towards rent and/or utilities.

7.9.1 Exception to the minimum rent. RHA recognizes that in some circumstances even the minimum rent may create a financial hardship for households. RHA will review all relevant circumstances brought to staff's attention regarding a financial hardship as it applies to the minimum rent. The following section states RHA's policies regarding a minimum rent financial hardship as set forth by the Quality Housing and Work Responsibility Act of 1998.

7.9.1.1 An exception to the minimum rent will be granted if the family is unable to pay due to financial hardship. Financial hardship includes the following situations:

a. The family has lost eligibility or is awaiting an eligibility determination for federal, state or local assistance, including a

household with a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

b. The household would be evicted as a result of the imposition of the minimum rent requirement.

c. The income of the household has decreased because of changed circumstances, including loss of employment or death of a household member.

- Loss of employment is being laid off or terminated through no fault of the employee. Loss of employment does not, for the purposes of exemption to minimum rent, include voluntarily quitting employment.

d. Other circumstances as determined by RHA or HUD.

7.9.1.2 *Request for minimum rent hardship exception.* All requests for minimum rent hardship exceptions are required to be in writing and documentation will be requested as proof of financial hardship.

a. Requests for minimum rent exception must include a statement on the household hardship that qualifies the family for the exception.

7.9.2 Suspension of minimum rent. RHA will grant the minimum rent exception to all households who request it, effective the first of the following month.

7.9.2.1 Suspension means that RHA must not use the minimum rent calculation until RHA has made this decision. During the minimum rent suspension period, the household will not be required to pay minimum rent and the Housing Assistance Payment will be increased accordingly.

7.9.2.2 The minimum rent will be suspended until RHA determines whether the hardship is (1) covered by statute and (2) temporary or long term.

7.9.2.3 If RHA determines that the minimum rent is not covered by statute, RHA will reinstate the minimum rent beginning from the time of suspension.

7.9.3 Temporary hardship. If RHA determines that the hardship is temporary (defined as a duration of less than 90 consecutive days), a minimum rent will not be imposed for a period of up to ninety days from the date of the household's

request.

7.9.3.1 At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension. RHA will offer a repayment agreement to the household for any such rent not paid during the temporary hardship period.

7.9.4 Long-Term Duration Hardships. If RHA determines that there is a qualifying long-term financial hardship, RHA will exempt the household from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent shall apply from the first day of the month following the household's request for exemption. [24 CFR § 5.630(b)(2)(ii))]

7.10 PRORATION OF ASSISTANCE

Proration of assistance must be offered to "mixed" applicant or participant households. A "mixed" household is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members. [24 CFR § 5.520]

7.10.1 The household's TTP will be calculated by multiplying the member maximum subsidy by the percentage of eligible household members to determine eligible subsidy.

7.11 INCOME CHANGE RESULTING FROM WELFARE PROGRAM REQUIREMENTS

7.11.1 Income changes resulting from welfare program requirements. RHA will not reduce the rental contribution for households whose welfare assistance is reduced specifically because of:

7.11.1.1 Fraud by a household member in connection with the welfare program.

7.11.1.2 Failure to participate in an economic self-sufficiency program.

7.11.1.3 Noncompliance with a work activities requirement.

7.11.2 RHA will reduce the rental contribution if the welfare assistance reduction is a result of:

7.11.2.1 The expiration of a lifetime time limit on receiving benefits.

7.11.2.2 A situation where a household member has not complied with other welfare agency requirements.

7.11.2.3 A situation where a household member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment, such as the household member has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a household

can receive benefits, causes the household to lose their welfare benefits.

7.11.3 Imputed welfare income. The amount of annual income not actually received by a household as a result of a specified welfare benefit reduction, outlined above, is included in the household's income for rental contribution.

7.11.3.1 Imputed welfare income is not included in annual income if the household was not an assisted resident at the time of sanction.

7.11.3.2 The amount of imputed welfare income is offset by the amount of additional income a household receives that begins after the sanction was imposed. When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

7.11.4 Cooperation agreements. RHA has a written cooperation agreement in place with the local welfare agency which assists RHA in obtaining the necessary information regarding welfare sanctions.

CHAPTER 8: PBV SELECTION, UNIT INFORMATION, AND RENT PAYMENTS

8.1 PBV SELECTION

8.1.1 RHA will select PBV proposals through one of the following methods:

8.1.1.1 Request for PBV proposal, or

8.1.1.2 Selection based on previous competition.

a. RHA may select, without competition, a proposal for housing assisted under a federal, state or local government housing assistance, community development, or supportive services program that required competitive selection of proposals (e.g., HOME, and units for which competitively awarded low-income housing tax credits have been provided) where the proposal has been selected in accordance with such program's competitive selection requirements within three (3) years of the PBV proposal selection date. The earlier competitively selected housing assistance proposal must not have involved any consideration that the project would receive PBV assistance.

b. Owners wishing to submit a proposal for consideration for a unit previously selected under a federal, state, or local government housing assistance program must submit written confirmation of the competitive selection required above, along with an application for specific units to be project-based. Supporting documentation must also be submitted to enable RHA to determine if the proposal meets all RHA and HUD requirements.

8.1.2 Request for Proposal (RFP) PBV procedure.

8.1.2.1 When requesting proposals for PBV selection, RHA will provide public notice in the local news outlets as well as on its website. All RFPs will specify the submission deadline as well as detailed application and selection information.

8.1.2.2 Before selecting a PBV proposal, RHA will determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing and that it complies with the site selection standards in accordance with 24 CFR § 983.55.

8.1.3 Site selection standards. Before any PBV proposal can be selected, the site selection standards set forth in 24 CFR § 983.55 must be met. For all proposed

properties, RHA must determine that:

8.1.3.1 Project-based assistance at the site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. RHA may consider proposals that are specific to its goals in this determination including the removal of blighted and dilapidated housing, the creation of affordable housing opportunities in neighborhoods targeted by the local government, and the available assistance of non-profit organizations that are located or working in such targeted neighborhoods.

8.1.3.2 The site is suitable from the standpoint of facilitating and furthering full compliance with applicable provisions of the Civil Rights Acts and HUD's implementing regulations.

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

8.1.4 Site selection plan. In addition to HUD requirements set forth in 24 CFR § 983.55, RHA's PBV site selection plan will:

8.1.4.1 Attempt to support Reno, Sparks, and Washoe County in their efforts to improve specified neighborhoods by deconcentrating poverty and expanding housing and economic opportunity. Where such neighborhoods have been identified for other public funding improvement goals, such requests will receive a high priority.

8.1.4.2 Encourage non-profit groups, faith-based organizations, and minority organizations, where possible, to become new providers of affordable housing for low-income persons or to expand the supply of housing for low-income persons, and such requests will receive a high priority.

8.1.4.3 Encourage proposals that would provide needed housing for elderly and/or disabled persons, and special needs populations identified in the City of Reno's Consolidated Plan, or other priorities set forth annually in RHA's MTW Plan.

8.1.4.4 Encourage proposals that are reasonably near public transportation and provide shopping opportunities for the low-income families living

at the site.

8.1.4.5 Encourage proposals that provide needed supportive services for disabled persons and ensure that the site is accessible to the population to be served.

8.1.4.6 Consider each site in light of the specific requirements in 24 CFR § 983.55 to determine if it is consistent with the requirements.

8.1.5 Environmental Review. Activities under the PBV program are subject to HUD's environmental regulation in 24 CFR Parts 50 and 58. RHA will follow the guidelines set forth in 24 CFR § 983.56 regarding environmental review in the PBV program.

8.1.6 RHA owned and/or managed properties. Chapter 10 outlines the process for assigning PBVs to RHA owned properties including exceptions to HUD requirements related to inspection and reasonable rent determinations.

8.1.7 Documentation available to the public. RHA's selection decision documentation will be made available, upon request, for public review regarding the basis for the selection of the PBV proposal.

8.1.8 Ineligible housing types. RHA will not consider any proposals for PBV assistance for units deemed ineligible under 24 CFR § 983.52 or in subsidized housing as defined in 24 CFR § 983.53.

8.1.9 Excess public assistance. RHA cannot approve any proposals that involve excessive public assistance for the housing as defined in 24 CFR § 4.13.

8.1.10 Certification regarding disclosure of public assistance funding. If approved, the HAP contract must contain the owner's certification that the property has not received and will not receive, before or during the term of the HAP contract, any public assistance for acquisition, development, or operation of the housing other than that disclosed in the subsidy layering review.

8.2 PBV UNITS

8.2.1 Housing accessibility. The housing must comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973, implementing regulations at 24 CFR Part 8 and, for properties constructed after March 31, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1998.

8.2.2 Housing quality standards. To ensure that all residents live in safe, habitable dwellings, HUD has established minimum federal housing quality standards for PBV housing in accordance with 24 CFR § 5.703. RHA will require that all PBV units meet HUD's established inspection standards.

8.2.3 RHA will examine the proposed site prior to the proposal selection date. Before entering into a HAP contract, RHA will inspect and determine that all existing units fully comply with National Standards for the Physical Inspection of Real Estate (NSPIRE). After execution of a HAP contract, turnover inspections will be conducted on units prior to providing assistance to a new family.

8.2.3.1 At least biennially during the term of the HAP contract, RHA will inspect a random sample, consisting of at least 20 percent (20%) of the contract units in each building, to determine if the contract units and the premises are maintained in accordance with HUD regulations.

a. Turnover inspections are not counted toward meeting this inspection requirement.

8.3 REQUIREMENTS FOR REHABILITATED AND NEWLY CONSTRUCTED UNITS

8.3.1 RHA may enter into an Agreement to enter into a HAP (AHAP) contract to provide PBV assistance for newly constructed or rehabilitated housing. This Agreement must be in the form required by HUD and provisions of the Agreement must follow the guidelines set forth in 24 CFR §§ 983.152, 983.153, 983.154, 983.155, 983.156 and 983.157.

8.4 HOUSING ASSISTANCE PAYMENT (HAP) CONTRACT

The purpose of the PBV HAP contract is to provide housing assistance payments for eligible families. RHA makes housing assistance payments to the owner for contract units leased and occupied by eligible families in accordance with the HAP contract. [24 CFR Subpart E]

8.4.1 RHA must enter into a HAP contract with the owner. With the exception of single-family scattered site properties, a HAP contract shall cover a single project. If multiple projects exist, each project shall be covered by a separate HAP contract. The HAP contract must be in the form required by HUD and must be complete with all information requested.

8.4.1.1 RHA and the owner may agree to place multiple projects, each consisting of a single-family building, under one HAP contract.

8.4.2 The contract will specify whether RHA has elected not to reduce rents below the initial rent to owner in accordance with 24 CFR § 983.302(c)(2), or reduce the number of contract units if a contract unit is not in accordance with HUD's standards or other HAP contract requirements.

8.4.3 RHA will not enter into a HAP contract for any unit until RHA has determined that the unit complies with HUD's inspection standards.

8.4.3.1 For existing housing, the HAP contract must be executed and effective promptly after RHA selection of the owner proposal and RHA's inspection of the housing unit(s).

8.4.3.2 For newly constructed or rehabilitated housing, the HAP contract must be executed and effective after RHA has inspected the completed units, determined the units have been completed in accordance with the applicable requirements, and the owner has furnished all required evidence of completion.

8.4.4 Term of HAP contract. RHA may enter into a HAP contract with an owner for an initial term of up to 20 years for each contract unit. The length of the term of the HAP contract for any unit may not be less than one year and no more than 20 years.

8.4.4.1 If RHA determines an extension is appropriate to continue providing affordable housing for low-income families, RHA may enter into an extension at the time of the initial HAP contract term, or any time before expiration of the contract, in accordance with HUD requirements.

8.4.5 Contract subject to funding. The HAP contract will clearly set forth that RHA's contractual obligation is subject to availability of sufficient appropriated funding as determined by HUD or RHA. If either determines there is not sufficient funding, RHA has the right to terminate the contract. The owner may terminate the HAP contract, upon notice to RHA, if the amount of rent to the owner for any unit is reduced below the initial amount set at the beginning of the HAP contract term.

8.4.6 Inspection standards must be maintained. The owner must maintain and operate the units and premises in accordance with HUD's standards, including ordinary and extraordinary maintenance, and must provide all the services, maintenance, equipment and utilities set forth in the HAP contract.

8.4.7 Penalties when a unit does not meet HUD's inspection standards. No housing assistance payment will be made to the owner for any period the unit does not comply with HUD's inspection standards. Moreover, RHA can terminate the HAP contract, terminate payments, abate or reduce payments, charge a $75 third inspection fee to the owner, or reduce the number of contract units, if a contract unit is not in accordance with HUD's standards or other HAP contract requirements.

8.4.8 Transfer of contract and change in ownership. When an owner transfers the PBV HAP contract to a new owner (or when an owner changes property management agents) they must give RHA at least 30-days' notice in writing before the effective date of the change. Failure to give proper notice may result in inappropriate 1099s and/or delays in providing payment to the proper party.

8.4.8.1 Failure to provide proper notice to RHA of a change in ownership and/or management resulting in improper payments, the party who received the payment will be responsible for turning over funds to the

new owner and/or manager.

8.4.8.2 A change in ownership does not require execution of a new contract and lease.

8.4.8.3 RHA may approve the assignment of the PBV HAP contract at the old owner's request. RHA may approve the assignment since they are a party to the contract.

8.4.8.4 RHA will process a change of ownership only upon the written request of the new owner and only if accompanied by a copy of the escrow statement or other document showing the transfer of title, recorded deed, and the employee identification number or SSN of the new owner.

8.4.9 Contract termination or expiration. Not less than one year before termination of a PBV HAP contract, the owner must notify RHA and the assisted tenants of the termination.

8.4.9.1 If an owner does not give timely notice of contract termination, the owner must permit the tenants in assisted units to remain for the required notice period with no increase in the tenant portion of their rent. During the notice period, the owner cannot issue an eviction because of their inability to collect an increased tenant portion of rent.

a. An owner may renew the terminating contract for a period that is sufficient to give tenants one-year advance notice under such terms as HUD may require.

8.4.10 HAP contract amendments.

8.4.10.1 *Amendment to substitute contract units.* At the discretion of RHA, and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Prior to such substitution, RHA must inspect the proposed substitute unit (the unit must comply with NSPIRE to be substituted) and determine the reasonable rent for such unit.

8.4.10.2 *Amendment to add contract units.* At the discretion of RHA, a HAP contract may be amended to add additional PBV contract units in the same project to the contract, without a new proposal selection. An amendment to the HAP contract is subject to all PBV requirements.

a. The anniversary and expiration dates of the HAP contract for the additional units must be the same as the anniversary and

expiration dates of the HAP contract term for the PBV units originally placed under HAP contract.

8.4.10.3 *Staged completion of contract units.* If contract units are placed under the HAP contract in stages commencing on different dates, there is a single annual anniversary for all contract units under the HAP contract. The annual anniversary for all contract units is the annual anniversary date for the first contract units placed under the HAP contract. The expiration of the HAP contract for all the contract units completed in stages must be concurrent with the end of the HAP contract term for the units originally placed under HAP contract.

8.4.10.4 Units occupied by families whose income has increased during their tenancy resulting in the tenant rent equaling the rent to the owner, will be removed from the HAP contract 365 days following the last housing assistance payment on behalf of the family. If the project is fully assisted, RHA may remove the unit from the contract and then reinstate the unit after the ineligible family vacates the property. If the project is partially assisted, RHA may substitute a different unit for the unit removed.

8.4.11 Substantial improvement to units under a HAP contract. The owner may undertake substantial improvement on a unit currently under a HAP contract if approved to do so by RHA. The owner may request RHA approval no earlier than the effective date of the HAP contract. [24 CFR § 983.212]

8.4.11.1 RHA may approve the substantial improvement only if one of the following conditions apply:

a. The unit has been damaged by fire or natural disaster, or other extraordinary circumstances exist which require a unit previously compliant with NSPIRE to urgently undergo substantial improvement. For this purpose, “extraordinary circumstances” are unforeseen events that are not the fault of the owner.

b. The owner requests to engage in substantial improvement that will commence following the first two (2) years of the effective date of the HAP contract. RHA may provide approval for substantial improvement occurring as described after the owner submits the request, but no earlier than twenty-one (21) months after the effective date of the HAP contract.

8.5 OCCUPANCY

8.5.1 Separate wait list for some PBV properties. RHA will establish a separate site-

based project-based wait list for some PBV properties. Persons on the current tenant-based voucher wait list will be provided with the opportunity to apply for the PBV wait list(s) if they are open.

8.5.2 Protection of in-place families. Program eligible families residing in a proposed contract unit on the proposal selection date will be placed on RHA's wait list and given an absolute selection preference. This preference does not apply to families that were not eligible on the project selection date.

8.5.3 Landlord maintained wait list. RHA may enter into an agreement to allow a landlord to maintain their own project-based wait list. In such cases, the owner must develop and submit a written wait list policy to RHA for approval.

8.5.3.1 Once an owner selects a family from the wait list and upon determination of suitability for occupancy, the landlord will forward the referral to RHA for final eligibility determination.

a. The landlord may not offer a unit to the family until RHA determines that the family is eligible for the program.

8.5.4 Referrals of families requiring accessible features. Applicants who require particular accessibility features for persons with disabilities must be selected first to occupy PBV units with such accessibility features. If there are units with accessibility features available, and no families on the wait list need the features, the first eligible family on the wait list will be referred to the unit.

8.5.5 Selection and referral. Tenants will be selected by the owner from eligible families selected and referred by RHA from its wait list for the property. Tenants selected must be placed in units that are appropriate for the family size in accordance with RHA's subsidy standards.

8.5.5.1 Households with anticipated/known family composition changes in the six (6) months following the interview will be referred to units based on the future household composition.

8.5.6 Oral briefing for referral. An oral briefing must be given to any family who accepts an offer of PBV assistance (see Chapter 6).

8.5.7 Owner notification of applicant rejection. Within ten (10) days of the rejection, the owner must notify any rejected applicant in writing of the grounds for the rejection. Such rejection by the owner will only apply to the PBV wait list and will not affect the family's position on any of RHA's other wait lists.

8.5.8 Applicant rejection of offer. If an applicant rejects an offer of a unit of appropriate size, their application will be withdrawn from the PBV wait list from which they were pulled, unless there is good cause. [24 CFR 983.251(e)(2)(iii)]

8.5.9 Reporting of vacancies. The owner must properly notify RHA of vacancies and expected vacancies, and RHA will promptly refer a sufficient number of applicants for the owner to fill the units in a timely manner.

8.5.10 Long-term vacancies. If a unit is left vacant for 120 or more days in spite of good faith efforts by RHA to fill the vacancy, RHA may give notice to the owner amending the HAP contract to delete the unit.

8.5.11 Owner to screen tenants. RHA will not screen for family behavior or suitability of tenants, other than the same criminal history screening done for all other voucher applicants to ensure eligibility for the program. It is the owner's responsibility to do all necessary screenings.

8.5.12 RHA will provide certain information on applicants. Where available and when requested, RHA will provide landlords on the PBV program with the family's current and prior address and the name and address of the family's current or prior landlord. Upon request, RHA will provide documented information regarding tenancy history for the past five (5) years to prospective landlords.

8.5.12.1 RHA may provide oral or written tenant/household information based on documentation in its possession, limited to the following:

a. Balance of money owed.

b. Termination for violation of family obligations and reasons for the termination.

c. Damages caused to a unit.

d. Involvement with fraud, bribery, or other corrupt or criminal acts.

e. Serious or repeated violation(s) of the signed lease agreement.

f. Drug-related criminal activity or other criminal activity by household members.

8.5.12.2 RHA will make an exception to this requirement if the household's whereabouts must be protected due to domestic abuse or witness protection. This policy on providing information to owners/managers is included in the voucher programs' briefing packets and will apply uniformly to all tenants/households and owners/managers.

8.5.13 Lease. The tenant must have legal capacity to execute a lease that complies with state and local law, has the HUD required tenancy addendum, and has been approved by RHA. *Legal capacity* means that the tenant is bound by the terms of

the lease and may enforce the terms of the lease against the owner. [24 CFR § 983.256]

8.5.13.1 The tenant and the owner/landlord must enter into a written lease agreement that is signed by both parties. The PBV tenancy addendum must include, word-for-word, all provisions required by HUD.

8.5.13.2 *Lease requirements*. [24 CFR § 983.256(c)]
The lease for a PBV unit must specify all of the following information:

a. The names of the owner and the tenant,

b. The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit),

c. The term of the lease (initial term and any provision for renewal),

d. The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements,

e. A specification of the services, maintenance, equipment, and utilities that will be provided by the owner, and

f. The amount of any charges for food, furniture, or supportive services.

8.5.13.3 *Tenancy Addendum*. All provisions in the HUD-required tenancy addendum must be included in the lease; the terms of the tenancy addendum prevail over other provisions of the lease. [24 CFR § 983.256(d)]

a. The tenancy addendum in the lease must state:

- The program tenancy requirements.
- The composition of the household as approved by RHA (names of family members and any RHA-approved live-in aide).

8.5.13.4 *Initial lease term*. The initial lease term must be for at least one (1) year and provide for automatic renewal after the initial term of the lease in either successive definitive terms (e.g., month-to-month or year-to-year) or an automatic indefinite extension of the lease term. [24 CFR § 983.256]

a. The term of the lease terminates if any of the following occur:

- The owner terminates the lease for good cause.
- The tenant terminates the lease.
- The owner and tenant agree to terminate the lease.
- RHA terminates the HAP contract.
- RHA terminates assistance for the family.

8.5.13.5 *Changes in the lease.* If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give RHA a copy of all changes. [24 CFR § 983.256(e)]

a. The owner must notify RHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by RHA and in accordance with the terms of the lease relating to its amendment.

b. RHA must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

8.5.14 Security deposit. The landlord may collect a security deposit that is consistent with private market practices and does not exceed the amount collected from other unassisted tenants in the same project. [24 CFR § 983.259]

8.5.14.1 *Use of security deposit.* When the tenant moves out of the contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts which the tenant owes under the lease.

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

8.5.14.3 *Insufficiency of security deposit.* If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant. However, RHA has no liability or responsibility for payment of any amount owed by the

family to the owner.

8.5.15 Tenant absence from the unit. [24 CFR §§ 983.256(g) and 982.312(a)]

8.5.15.1 The lease may specify a maximum period of family absence from the unit that may be shorter than the maximum period permitted by RHA policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 90 consecutive days. RHA termination of assistance actions due to family absence from the unit are subject to 24 CFR § 982.312, except that the unit is not terminated from the HAP contract if the family is absent for longer than the maximum period permitted. See Chapter 16 for policy related to absence from the unit.

8.5.16 Wrong sized unit/accessible unit not needed/remaining family member. If, after the initial tenancy, a family is in the wrong sized unit under RHA's subsidy standards, or in an accessible unit that they does not need but is needed by another family, or is (are) the remaining family member(s) who no longer qualify for elderly or disabled family status in an excepted unit, RHA must offer the family one of the following: (a) project-based voucher assistance in an appropriate-size unit (in the same building or in another building), (b) Public Housing assistance, or (c) a tenant-based voucher.

8.5.16.1 If the tenant refuses to move out of the unit within 60 days of the applicable offer being made (or the voucher expiration date in the case of option (c)), RHA will terminate the housing assistance for the wrong size, accessible, or unqualified for unit and remove the unit from the PBV contract.

8.5.16.2 RHA may reinstate a unit removed under this provision after the family vacates the property.

8.5.17 Right to move after first year. The tenant in a competitively selected PBV unit has the right to move with continued assistance after the first year of occupancy. If the tenant chooses to move, the tenant must inform RHA before giving 30 days' notice of intent to vacate to the landlord. RHA will give the family a Housing Choice Voucher, in the order requested, as soon as one is available before families on RHA's wait list. [24 CFR § 983.261]

8.5.18 Owner termination of tenancy. [24 CFR § 983.257]

8.5.18.1 The owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program [see Chapter 17, 24 CFR § 982.310). In the PBV program, terminating tenancy for "good cause" does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

8.5.18.2 The owner may terminate the tenancy in accordance with the requirements related to lease terminations for development activity on units under a HAP contract as provided in 24 CFR § 983.157(g)(6)(iii) and for substantial improvement to units under a HAP contract as provided in 24 CFR § 983.212(a)(3)(iii). Eviction for drug and alcohol abuse and protection for victims of domestic violence, dating violence, sexual assault, or stalking apply to the PBV program.

8.6 RENT TO OWNER

8.6.1 Initial rent. The amount of the initial rent is established at the beginning of the HAP contract term. When determining the initial rent to owner, RHA will use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. At its discretion, RHA may use the amounts in effect at any time during the 30 days prior to the HAP contract execution.

8.6.2 Limitations on rent. Except for certain tax credit units as set forth in 24 CFR § 983.301(c) the rent must not exceed the lowest of:

8.6.2.1 An amount determined by RHA, not to exceed 110 percent of the applicable FMR (or the amount of any applicable exception payment standard) for the unit bedroom size minus any utility allowance,

8.6.2.2 The reasonable rent, or

8.6.2.3 The rent requested by the owner.

8.6.3 Limitations on rents for certain tax credit units. In the case of tax credit units described in 24 CFR 983.301(c)(1) where the tax credit rent exceeds the applicable fair market rent, the rent to owner must not exceed the lowest of:

8.6.3.1 An amount determined by RHA not to exceed the tax credit rent minus any utility allowance,

8.6.3.2 The reasonable rent, or

8.6.3.3 The rent requested by the owner.

8.6.4 Redetermination of rent. RHA will redetermine the rent to owner:

8.6.4.1 Upon the owner's request at the annual anniversary of the HAP contract, or

8.6.4.2 When there is a ten percent (10%) decrease in the published FMR.

8.6.5 Requests for rent increases. Requests for rent increases must be submitted in writing at least 60 days before the annual anniversary of the HAP contract. The

request must be in the form required by RHA and specify the unit address, HAP contract date, the current rent and the proposed rent.

8.6.5.1 No increase in rent will be approved or become effective until and unless the owner has complied with all requirements of the HAP contract, including compliance with HUD's inspection standards.

8.6.6 Rent decrease. If the FMR decreases ten percent (10%) or more a new determination of rent must be made. If this results in a decrease in the rent to owner, the rent must be decreased by RHA. [24 CFR § 983.302]

8.6.7 Notice of change in rent to owner. Whenever there is a change in rent to owner, RHA must provide written notice to the landlord specifying the amount of the new rent to owner. This notice of rent change constitutes an amendment of the rent to owner specified in the HAP contract.

8.6.8 Reasonable Rent. At no time may the rent to owner exceed the reasonable rent as determined by RHA. [24 CFR § 983.303]

8.6.8.1 RHA must redetermine the reasonable rent:

a. When there is a ten percent (10%) decrease in published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR in effect one (1) year before the contract anniversary.

b. When RHA approves a change in the allocation of responsibility for utilities between the owner and tenant.

c. Whenever the HAP contract is amended to add a contract unit or substitute a different contract unit in the same building or project, or

d. Whenever there is any change that may substantially affect the reasonable rent.

8.6.9 Comparability study. The determination of reasonable rent will be based on comparison rents for at least three (3) comparable units in the private unassisted market, which may include comparable unassisted units in the premises or project. The comparable analysis must not be maintained or conducted by anyone who may have a direct or indirect interest in the property. [24 CFR 983.303(d)]

8.6.9.1 By accepting each monthly housing assistance payment from RHA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner must give RHA information requested on rents charged by the

owner for other units in the premises or elsewhere.

8.6.10 HUD subsidy layering requirements. Rent to owner must not exceed any limitation required to comply with HUD subsidy layering requirements.

8.7 PAYMENT TO OWNER

During the term of the HAP contract, RHA shall make housing assistance payments to the owner in accordance with the terms of the HAP contract. The payments shall be made for the months during which a contract unit is leased to and actually occupied by an eligible family.

8.7.1 Payment for move-out month. If an assisted family moves out of a unit, the owner may keep the housing assistance payment payable for the calendar month when the family moves out. Owners will be eligible to receive additional payments as outlined in the Landlord Incentive Program (see Chapter 22).

8.7.1.1 The owner may not keep the payment if RHA determines that the vacancy is the owner's fault.

8.7.2 Vacancy payments. RHA reserves the right to strike the vacancy payment provision from any PBV HAP contract prior to execution per 24 CFR § 983.352(b). If vacancy payments are to be made as part of the contract, they will be for up to one full calendar month from the beginning of the first calendar month after the move-out month.

8.7.2.1 The exact payment will be determined by RHA but cannot exceed the monthly unit rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant’s security deposit). Vacancy payments will be limited to the HAP paid on behalf of the family for the month prior to the termination of the lease.

8.7.2.2 The vacancy payment may cover only the period the unit remains vacant.

8.7.2.3 The payment will be made only if the owner:

a. Gives RHA prompt written notice certifying that the family has vacated the unit and containing the date when the family moved out, to the best of the owner’s knowledge and belief.

b. Certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period claimed.

c. Certifies that every reasonable action has been taken to minimize the likelihood and length of vacancy.

d. Submits a written request and provides any additional

documentation requested by RHA to verify that the owner is entitled to the vacancy payment.

8.7.3 Tenant rent. The tenant rent (or portion of the rent paid to the owner by the family) is determined by RHA in accordance with HUD requirements. Any changes in the amount of the tenant rent will be effective on the date stated in a notice by RHA to the family and the owner.

8.7.4 Tenant payment to the owner. The family is responsible for paying the tenant rent (total tenant payment minus utility allowance). The owner may not charge the family any additional amount for laundry services, maintenance, equipment, or utilities, in accordance with the HAP contract and lease.

8.7.4.1 The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent determined by RHA and must immediately return any excess payment to the tenant.

8.7.4.2 The tenant is not responsible for payment of the portion of the rent to owner covered by the housing assistance payment under the HAP contract. The owner may not terminate the tenancy of an assisted family for nonpayment of RHA's housing assistance payment.

8.7.5 Limit of RHA responsibility.

8.7.5.1 RHA is responsible only for making housing assistance payments to the owner on behalf of a family in accordance with the HAP contract. RHA is not responsible for paying the tenant rent, or for paying any other claim by the owner.

8.7.5.2 RHA may not use housing assistance payments or other program funds to pay any part of the tenant rent or to pay any other claim by the owner. RHA may not make any payment to the owner for any damage to the unit, or for any other amount owed by a family under the lease or otherwise except as provided for through the Landlord Incentive Program.

8.7.6 Other fees and charges. Owners may not charge the tenant or family members extra amounts for meals, supportive services, or items customarily included in the rent or provided at no additional cost to unsubsidized tenants on the premises. Non-payment of such charges is not grounds for termination of tenancy.

CHAPTER 9: PBVS UNDER THE RENTAL ASSISTANCE DEMONSTRATION (RAD)

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, RHA policies for the project-based voucher program contained in this administrative plan also apply to the RAD-PBV program and its participants. This chapter is intended to address requirements specific to the RAD-PBV program only.

9.1 RAD-PBV REQUIREMENTS

The regulations for both the standard PBV and RAD-PBV programs generally follow the regulations for the tenant-based voucher program found at 24 CFR Part 982. However, important parts of the tenant-based regulations do not apply to the project-based program. 24 CFR Part 983 outlines the Sections of 24 CFR Part 982 that are not applicable to the project-based program.

9.1.1 Projects converted to RAD-PBV maintain any MTW waivers or alternative requirements that do not conflict with RAD requirements. RHA, as an MTW agency, may also modify the special RAD requirements via an approved MTW Plan or an MTW Supplement to an approved PHA Plan (except when explicitly noted in Section 1.6 of the RAD Notice).

9.1.2 For the RAD-PBV program, Congress authorized HUD to waive certain statutory and regulatory provisions or establish alternative requirements from the standard PBV program. These provisions are identified in PIH Notice 2019-23. Any non-RAD PBV units located in the covered project are subject to the same waivers and alternative requirements noted in the notice and in this policy.

9.1.3 If not otherwise stated, all regulatory and statutory requirements for the standard PBV program in 24 CFR Part 983, Section 8(o)(13) of the Housing Act of 1937, and all applicable standing and subsequent Office of Public and Indian Housing (PIH) notices and guidance, including related handbooks, apply to RAD-PBV.

9.1.4 Public housing projects converting assistance under RAD are bound by the terms of the notice in effect at the time of closing.

9.1.4.1 PIH Notice 2019-23 is immediately applicable at the time of closing to all projects converting assistance (notwithstanding execution of a commitment for conversion).

a. Changes in the project eligibility and selection criteria are effective after a 30-day comment period.

9.1.5 <u>Relocation requirements.</u> [PIH 2016-17]

9.1.5.1 Properties undergoing significant rehabilitation, demolition, or transfer of assistance may require in-place residents to be relocated. RAD program rules prohibit the permanent, involuntary relocation of residents because of conversion. Residents who are temporarily

relocated retain their right to return to the project once it has been completed. Any non-RAD PBV units located in the same project are also subject to the right to return.

9.1.5.2 Relocation assistance provided to residents will vary depending on the length of time that relocation is required. Residents must be properly notified in advance of relocation requirements in accordance with RAD program rules, Uniform Relocation Act (URA) requirements, and any other requirements which may be applicable such as Section 104(d) of the Housing and Community Development Act of 1974, as amended.

a. A written relocation plan is required if the RAD conversion involves permanent relocation (including a move-in connection with transfer of assistance) or temporary relocation anticipated to last longer than one (1) year.

9.1.5.3 Residents that need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to either: 1) a unit at the development once rehabilitation or construction is completed, provided the resident's household is not under-housed; or 2) a unit in the development which provides the same major features as the resident's unit in the development prior to the implementation of the RAD conversion.

a. Where the transfer of assistance to a new site is warranted and approved, residents of the converting development will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete.

9.1.5.4 If RHA's proposed plans for conversion preclude a resident from returning to the development, the resident will be given an opportunity to comment and/or object to such plans. RHA may alter the project plans to accommodate the resident's right to return to the development if the resident would be precluded from returning.

a. Examples of project plans that may preclude a resident from returning to the development include, but are not limited to:

- Changes in the development's bedroom distribution that decrease the size of the units, resulting in the resident being under-housed.

- The resident cannot be accommodated in the remaining assisted units due to a reduction in the number of assisted units at the development.

- Income limit eligibility requirements associated with the LIHTC program or another program.

- Failure to provide a reasonable accommodation, in violation of applicable law, where reasonable accommodation may include installation of accessibility features that are needed by the resident.

b. Residents of a development undergoing conversion that would be precluded from returning may voluntarily accept an offer to permanently relocate to alternative housing.

- RHA must secure the resident's written consent to a voluntary permanent relocation in lieu of returning to the development.

- RHA may not terminate a resident's lease if RHA fails to obtain the resident's consent and the resident seeks to exercise the right to return.

9.1.5.5 In the case of multi-phase RAD transactions, the resident has a right to return to the development or to other converted phases of the development that are available for occupancy at the time the resident is eligible to exercise their right of return. Generally, the resident's right to return must be accommodated within the development associated with the resident's original unit, however, RHA may treat multiple converted developments on the same site as one for purposes of right to return. Should RHA seek to have the resident exercise the right to return at a future phase, RHA will secure the resident's consent in writing.

9.1.5.6 Alternative housing options may involve a variety of housing options, including but not limited to:

a. Transfers to another public housing complex or unit,

b. Admission to other affordable housing properties subject to applicable program rules,

c. Issuance of a Housing Choice Voucher (HCV), or

d. Other options identified by RHA.

9.1.6 Equal opportunity requirements. [24 CFR §§ 5.105,983.8, and Notice PIH 2016-17] RHA will comply with all applicable fair housing and civil rights laws when conducting relocation planning and providing relocation assistance (see Chapter 2).

9.2 RAD-PBV PROJECT SELECTION

Unlike in the standard PBV program, projects selected for assistance under RAD-PBV are selected in accordance with the provisions in Notice PIH 2019-23.

9.2.1 Ownership and control.

For projects governed by Notice PIH 2019-23, the following language applies:

9.2.1.1 Under the RAD-PBV program, the contract administrator and the owner listed on the contract cannot be the same legal entity. To avoid this, RHA will either: 1) transfer the ownership of the project to a nonprofit affiliate or instrumentality of RHA or 2) RHA can form a related entity that is responsible for management and leasing and can serve as the owner for purposes of the HAP contract; in this scenario, the HAP contract is executed between RHA (as the contract administrator) and RHA's related entity (as the owner).

9.2.1.2 Except where permitted to facilitate the use of low-income housing tax credits, during both the initial term and renewal terms of the HAP contract, ownership must be by a public or nonprofit entity. HUD may also allow ownership of the project to be transferred to a tax credit entity controlled by a for-profit entity to facilitate the use of tax credits for the project if HUD determines that RHA or the nonprofit entity preserves an interest in the profit.

a. Control may be established through the terms of the project owner's governing documents or through a control agreement. Any amendment of the terms of control requires consent from HUD.

9.2.2 RHA-owned units. [24 CFR § 983.59, FR Notice 1/18/17, and Notice PIH 2017-21]

9.2.2.1 RHA will set rents and inspect its own units rather than engaging a HUD-approved independent entity to set rents and inspect RHA-owned properties.

9.2.2.2 The definition of ownership or control provided under Notice PIH 2019-23 is used specifically to determine whether RHA retains control over a project for purposes of HUD's requirement for ownership or control of the covered project under RAD. For purposes of determining whether an independent entity will perform certain functions for the project, the definition of *PHA-owned* under Notice PIH 2017-21 is used. This is the same definition used for standard PBV units. In some cases, a project may meet the RAD definition of ownership or control but may not be considered RHA-owned for purposes of requiring an independent entity.

9.2.3 Subsidy layering requirements. [Notice PIH 2019-23]

9.2.3.1 If RHA will no longer have ACC units as a result of the pending or simultaneous closing, or if RHA will have less than 50 units remaining and initiated procedures to dispose of the final ACC units, there is no restriction on the amount of public housing funds that may be contributed to the covered project at closing. RHA may convey all program funds to the covered projects or projects through the conversion.

a. RHA must estimate and plan for outstanding liabilities and costs and must follow Notice PIH 2016-23 or successor notice regarding the administrative activities required to terminate the ACC if it has no plans to develop additional public housing.

9.2.3.2 If RHA continues to maintain other units in its inventory under a public housing ACC, a contribution of operating funds to the covered project that exceeds the average amount the project has held in operating reserves over the past three (3) years will trigger a subsidy layering review under 24 CFR § 4.13.

a. Any contribution of capital funds, including Replacement Housing Factor (RHF) or Demolition Disposition Transitional Funding (DDTF), will trigger a subsidy layering review.

9.2.3.3 Following execution of the HAP contract, RHA will be authorized to use operating and capital funds to make HAP payments for the remainder of the first calendar year in which the HAP contract is effective.

a. RHA may not contribute public housing program funds to the covered project unless those funds have been identified in the RAD Conversion Commitment (RCC) and converted at closing for RAD purposes.

9.2.4 PBV percentage limitation and unit cap. [Notice PIH 2019-23]

9.2.4.1 *PBV Percentage Limitation*: Covered projects do not count against the maximum amount of assistance RHA may utilize for the PBV program.

9.2.4.2 *Unit Cap Limitation*: Projects converting to RAD have no cap on the number of units that may receive PBV assistance in a project.

9.2.5 Site selection standards. [Notice PIH 2019-23, Notice PIH 2016-17]

9.2.5.1 Site selection requirements set forth in 24 CFR § 983.57 apply to RAD-PBV, except HUD waives the provisions regarding deconcentration of poverty and expanding housing and economic opportunity for existing housing sites.

9.2.5.2 To facilitate the uniform treatment of residents and units, any non-RAD PBV units located in the same project are subject to the terms of this provision.

9.2.5.3 HUD will conduct a front-end civil rights review of RHA's proposed site in certain circumstances. For RAD-PBV conversions that involve new construction located in an area of minority concentration (whether on the existing public housing site or on a new site) HUD will determine whether it meets one of the exceptions that would allow for new construction in an area of minority concentration.

9.2.5.4 RHA will ensure that its RAD-PBV conversion, including any associated new construction, is consistent with its certification to affirmatively further fair housing and complies with civil rights laws.

9.2.6 Environmental Review. [Notice PIH 2019-23; Environmental Review Requirements for RAD Conversions, March 2019]

9.2.6.1 HUD cannot approve an applicant's financing plan submission unless and until the required environmental review has been completed for the applicant's proposed conversion project and found to have met environmental review requirements. Once an awardee applies for a specific project, they may not make any choice limiting actions before the completion of the environmental review.

9.3 INSPECTING UNITS

9.3.1 Inspection standards. [24 CFR § 983.101]
HUD's inspection standards for the tenant-based voucher program generally apply to the PBV program. The following physical condition standards at 24 CFR § 5.703 do not apply to the PBV program:

9.3.1.1 *Lead-based paint.* [24 CFR § 983.101(c); Notice PIH 2019-23]

a. The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, the Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856) and implementing regulations at 24 CFR Part 35, Subparts A, B, H, and R, apply to the PBV program.

9.3.1.2 *Housing accessibility for persons with disabilities.* [Notice PIH 2016-17]

a. Federal accessibility requirements apply to all conversions, whether new construction, alternations, or existing facilities. The housing must comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973

(29 U.S.C. 794) and implementing regulations at 24 CFR Part 8. RHA will ensure that the percentage of accessible units complies with the requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, Subpart C.

9.3.2 Inspecting units. [RAD Quick Reference Guide; Notice PIH 2019-23]

9.3.2.1 *Initial inspection*. In order to accommodate projects in which significant rehabilitation is conducted, HUD has waived regulations at 24 CFR § 983.103(b), when units are undergoing rehabilitation, but units must meet HUD's standards by the date indicated in the RAD Conversion Commitment (RCC). Before providing assistance to a new family in a RAD-PBV contract unit, RHA will inspect the unit. RHA will not provide assistance on behalf of the family until the unit fully complies with HUD's standards [24 CFR § 983.103(c), FR Notice 1/18/17, and Notice PIH 2017-20].

9.3.2.2 *Biennial inspection*. At least once every 24 months during the term of the HAP contract, RHA will inspect a random sample consisting of at least 20 percent (20%) of the contracted units in each building, to determine if the contracted units and the premises are maintained in accordance with HUD's standards. If more than 20 percent (20%) of the sample of inspected units in a building fail the inspection, RHA will reinspect 100 percent (100%) of the units in the building.

9.3.2.3 *Alternative inspections*. In the case of mixed-finance properties that are subject to alternative inspections, RHA may rely upon an alternative inspection conducted at least triennially to demonstrate compliance with inspection requirements. [24 CFR § 983.103(g); Notice PIH 2016-05]

9.3.2.4 *RHA-owned units*. Required inspections will be performed by NSPIRE certified RHA staff.

9.4 HOUSING ASSISTANCE PAYMENTS (HAP) CONTRACT

Public housing projects converting under RAD do not employ the PBV Agreement to Enter into a Housing Assistance Payments (AHAP) contract. Instead, following the execution of all requirements contained in the Commitment to Enter into a HAP (CHAP) contract and the RAD Conversion Commitment (RCC), a project is converted immediately to the RAD-PBV HAP contract following the closing of any construction financing. Owners of public housing projects converted to PBV assistance via RAD enter into a HAP contract with RHA, who will administer the PBV assistance. Units assisted under a RAD PBV HAP contract must be subject to long-term, renewable use and affordability restrictions. [PBV Quick Reference Guide 10/14]

9.4.1 HAP contract requirements.

The RAD PBV program uses the RAD-PBV HAP contract for new construction or

rehabilitated housing. To execute a RAD-PBV HAP contract, the project must have an initial RAD use agreement. All public housing RAD conversion properties financed with LIHTC are also required to include an LIHTC rider.

9.4.1.1 *Execution and effective date of the HAP contract*. [RADBlast! 7/11/16]

a. When the conditions of the CHAP and the RCC are met and the conversion has closed, RHA will execute the HAP contract. Project owners may select the effective date of the HAP contract as the first day of either of the two months following the completed closing.

9.4.1.2 *Term of HAP contract*. [Notice PIH 2019-23]

a. The initial term of the HAP contract may not be for less than 15 years and may be for a term of up to 20 years. Contracts are subject to the terms and conditions applicable at the time of each offer, and further subject to the availability of appropriations for each year of renewal.

b. Mandatory contract renewal. By statue, upon contract expiration, the administering agency will offer, and RHA will accept, renewal of the contract for the prescribed number and mix of units, either on the site of the project subject to the expiring contract or, upon request of the project owner and subject to RHA and HUD approval, at another site through a future transfer of assistance.

- The contract is subject to the terms and conditions applicable at the time of renewal and the availability of appropriations each year for such renewal.

c. In the event that the HAP contract is removed due to breach, non-compliance or insufficiency of appropriations, new tenants to units previously covered under the HAP contract must have incomes at or below 80 percent (80%) of the area median income at the time of admission. Rents for these units may not exceed 30 percent (30%) of 80 percent (80%) of the median income for an appropriate size unit for the remainder of the term of the RAD agreement.

9.4.1.3 *Remedies for NSPIRE violations.* [24 CFR § 983.208(b)]

a. RHA will not make any HAP payment to an owner for a contract unit during any period in which the unit does not comply with HUD's inspection standards. If RHA determines that a contract unit does not comply with HUD's standards,

RHA will engage remedies for NSPIRE violations as outlined in Chapter 121.

9.4.2 Amendments to the HAP contract. [Notice PIH 2019-23]

9.4.2.1 *Floating units*.

a. HUD permits and RHA will utilize floating units, when appropriate. The unit to which assistance is floated must be comparable to the unit being replaced in quality and amenities.

b. When utilizing floating units, units are not specifically identified in the HAP contract, rather the HAP contract will specify the number and type of units in the property that are RAD-PBV units. The property must maintain the same number and type of RAD units from the time of the initial HAP contract execution forward.

9.4.2.2 *Reduction in HAP contract units*.

a. Project owners are required to make available for occupancy by eligible tenants the number of assisted units under the terms of the HAP contract.

b. RHA will not reduce the number of assisted units without written HUD approval. HUD's approval of the request to reduce the number of assisted units under contract is subject to the conditions that HUD may impose.

c. If units are removed from the HAP contract because a new admission's Total Tenant Payment (TTP) equals or exceeds the gross rent for the unit, and if the project is fully assisted, RHA will remove the property from the HAP contract. The unit will be reinstated after the family has vacated the property.

- If the project is partially assisted, RHA may substitute a different unit for the unit on the HAP contract in accordance with 24 CFR § 983.207 or where the development has floating units.

9.4.3 HAP contract year and anniversary dates. [24 CFR § 983.302(e)]

9.4.3.1 The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

9.4.3.2 The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year. There is a single annual anniversary date for all units under a HAP contract.

9.4.4 Vacancy payments. [24 CFR § 983.352(b)]

9.4.4.1 RAD-PBV contracts will provide vacancy payments to the owner for a predetermined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not to exceed two (2) full months following the move-out month.

a. The amount of the vacancy payment will be identified in the RAD-PBV contract and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner, including amounts available from the tenant's security deposit.

9.5 SELECTION OF PBV PROGRAM PARTICIPANTS

9.5.1 Prohibited rescreening of existing tenants upon conversion. [Notice PIH 2019-23]

9.5.1.1 Current households cannot be excluded from occupancy at the covered project based on any rescreening, income eligibility, or income targeting provisions. Current households will be grandfathered for application of any eligibility criteria to conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion.

9.5.1.2 Post-conversion, the tenure of all residents of the covered project is protected pursuant to PBV requirements regarding continued occupancy unless explicitly modified in PIH Notice 2019-23 (e.g., rent phase-in provisions). For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting for initial occupancy, will not apply for current households. Once the grandfathered household moves out, the unit must be leased to an eligible family.

a. To facilitate the right to return to the assisted property, this provision must apply to current public housing residents of the converting project that will reside in non-RAD PBV units placed in a project that contain RAD-PBV units. Such families and such contract units will otherwise be subject to all requirements of the applicable program, specifically 24 CFR § 983 for non-RAD PBV units.

b. Any non-RAD PBV units located in the same project are also

subject to the right to return.

9.5.2 Eligibility for PBV assistance. [24 CFR § 983.251(a) and (b)]

9.5.2.1 RHA will determine an applicant family's eligibility for the RAD-PBV program in accordance with the policies outlined in Chapter 3.

9.5.3 Organization of the wait list. [24 CFR § 983.251(c) and Notice PIH 2019-23]

9.5.3.1 RHA will establish and manage separate site-based wait lists for individual projects or buildings that are receiving RAD-PBV assistance. Additional preferences may be applied to RAD-PBV wait lists in addition to those identified in Chapter 4.

9.5.3.2 Applicants on the converting public housing wait list, who are likely to be ineligible for admission to a covered project converting to RAD-PBV because the household's TTP is likely to exceed the RAD gross rent, may be considered for transfer, consistent with program requirements for administration of wait lists, to RHA's remaining public housing wait lists.

9.5.3.3 To the extent any wait list relies on the date and time of application, the applicants shall have priority on the wait lists to which their application was transferred in accordance with the date and time of their application to the original wait list.

9.5.3.4 RHA will maintain all site-based wait lists in accordance with all HUD regulations, see Chapter 4.

9.5.4 Selection from the wait list. [24 CFR § 983.251(c)]
RHA will select applicants from wait lists in accordance with the provisions outlined in Chapter 4.

9.5.4.1 *Income targeting.* [24 CFR § 983.251(c)(6) and Notice PIH 2019-23]

a. Families in place at the time of conversion are exempt from income targeting requirements. New admissions and any non-RAD PBV units located in the same project are subject to these requirements.

9.5.4.2 *Units with accessibility features.* [24 CFR § 983.251(c)(7)]

a. When selecting families to occupy RAD-PBV units that have special accessibility features for persons with disabilities, RHA will first refer families who require such features.

9.5.4.3 *Preferences.* In addition to those identified in Chapter 4 of this plan, additional site-specific preferences may be applied to RAD-PBV site-

based wait lists.
[24 CFR § 983.251(d), FR Notice 11/24/08 and Notice PIH 2019-23]

9.5.4.4 *Prohibited actions*. If a family has applied for, received, or refused an offer of PBV assistance, RHA is prohibited from any of the following actions:

a. Refusing to list the applicant on the wait list for tenant-based voucher assistance.

b. Denying any admission preference for which the applicant qualifies.

c. Changing the applicant's place on the wait list based on preference, date, and time of application, or other factors affecting selection under RHA's selection policy.

d. Removing the applicant from the tenant-based voucher waiting list.

9.5.5 Acceptance of offer. [24 CFR § 983.252]

9.5.5.1 When a family accepts an offer for PBV assistance, RHA will provide the family with an oral briefing (see Chapter 6). If an applicant family's head or spouse is disabled, RHA will provide effective communication, in accordance with 24 CFR § 8.6, in conducting the oral briefing and in providing the written information packet.

9.6 OCCUPANCY

After an applicant has been selected from the wait list, determined eligible by RHA, briefed, and referred to the unit, the family will sign the lease. In addition to the occupancy policies for standard PBV units set forth in Chapter 8, the following policies apply to RAD-PBV.

9.6.1 Lease requirements. [24 CFR § 983.256(c) and Notice PIH 2019-23]

9.6.1.1 RHA will include resident procedural rights for termination notification and grievance procedures in the lease. These requirements are not part of the regular PBV program, but are required under RAD.

9.6.1.2 *Initial term and lease renewal.* [24 CFR § 983.256(f)]

a. Leases for residents who remain in place (i.e., who will not be relocated solely because of conversion) must have an effective lease date that coincides with, and must be signed on or before, the effective date of the RAD-PBV HAP contract.

b. Termination of tenancy and assistance. In addition to the regulations at 24 CFR § 983.257 related to owner termination

of tenancy and eviction, the termination procedure for RAD conversions to PBV require that adequate written notice of termination of the lease shall be:

- A reasonable period of time, but not to exceed 30 days:
  - If the health or safety of other tenants, RHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
  - In the event of any drug-related or violent criminal activity or any felony conviction.
- Not less than 14 days in the case of nonpayment of rent.
- Not less than 30 days in any other case, except that if a state or local law provides for a shorter period of time, such shorter period will apply.

c. These provisions apply to non-RAD PBV units located in the project as well.

9.6.1.3 *Tenant absence from the unit.* [24 CFR §§ 983.256(g) and 982.312(a)]

a. RHA termination of assistance actions due to family absence from the unit are subject to 24 CFR § 982.312, except that the unit is not terminated from the HAP contract if the family is absent for longer than the maximum period permitted. See Chapter 16 of this plan for policy related to absence from the unit.

9.6.1.4 *Continuation of housing assistance payments*. [24 CFR § 983.258; Notice PIH 2019-23]

a. Current residents living in the property prior to conversion are placed on and remain under the HAP contract when TTP equals or exceeds gross rent. Until the time as the family's TTP falls below the gross rent, the family will pay the owner the lesser of their TTP minus the utility allowance or any applicable maximum rent under the LIHTC program. The resident is still considered a program participant and all of the family obligations and protections under RAD and standard PBV continue to apply. Any non-RAD PBV units located in the same project are also subject to these requirements.

- Assistance may subsequently be reinstated if the tenant's circumstances change and they become eligible for assistance.

b. Unless a waiver is requested and approved, following conversion, 24 CFR § 983.53(d) applies, and any new admission referred to the RAD PBV project must be initially eligible for a HAP payment at admission to the program.

c. Assistance for new families following conversion will be terminated 365 days after the last housing assistance payment is made on their behalf. The cessation of housing assistance payments does not affect the family's other rights under its lease, nor does it preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances if such changes occur within the 365-day window.

9.6.1.5 *Security deposits*. [24 CFR § 983.259; PBV Quick Reference Guide (10/14)]

a. Owners are permitted to recognize security deposit amounts that have been previously provided by tenants who are in-place at the time of the RAD conversion. Otherwise, the security deposit requirements for standard PBV apply.

9.6.2 Public Housing FSS and ROSS participants. [Notice PIH 2019-23]

9.6.2.1 Current PH FSS participants will continue to participate in RHA's IMPACT program. RHA may use any PH FSS funds granted previously or pursuant to the current fiscal year (FY) FSS notice of funding availability (NOFA), to serve those FSS participants who live in units converted to RAD and who will, as a result, be moving to the HCV FSS program.

9.6.2.2 Residents who were converted from the PH FSS program to the HCV FSS program through RAD may not be terminated from the HCV FSS program or have HCV assistance withheld due to the participant's failure to comply with the contract of participation. Consequently, 24 CFR § 984.303(b)(5)(iii) does not apply to FSS participants in converted properties.

9.6.2.3 Any non-RAD PBV units located in the same project are also subject to these requirements.

9.6.3 Resident participation and funding. [Notice PIH 2019-23]

9.6.3.1 Residents of covered projects converting assistance to PBVs will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding.

9.6.4 Allowable moves. [24 CFR § 983.260; Notice PIH 2019-23]

9.6.4.1 *Overcrowded, under-occupied, and accessible units.* All in-place tenants at the time of conversion are eligible to return to the project post construction/rehabilitation. Following conversion, the standard PBV regulations apply.

a. Over-housed families will be moved into appropriately sized units, if such units are available in the new or rehabbed project. If appropriately sized units are not available, the existing tenants may continue to be over-housed until an appropriately sized unit becomes available or until the tenant leaves the project. Once the unit turns over, it must be leased to an appropriately sized family. Any non-RAD PBV units located in the same project are also subject to these requirements.

9.6.4.2 *Choice Mobility.* [Notice PIH 2019-23]

a. RHA will maintain a combined, agency-wide wait list for all standard PBV and RAD PBV families wishing to exercise mobility after one year of tenancy. This list will be maintained separately from the tenant-based HCV list. Families on the choice mobility wait list will be given priority over families on the tenant-based wait list. The choice mobility wait list will be organized by date and time of the family's written request to exercise choice mobility. The list will also identify whether families live in standard or RAD PBV units.

9.6.5 Recertifications. [PBV Quick Reference Guide (10/14)]

9.6.5.1 See Chapter 13 of the plan for information on recertifications.

9.6.6 Informal reviews and hearings. [Notice PIH 2012-32, REV-3]

9.6.6.1 In addition to the provisions of Chapter 19 of this plan, the owner must provide an opportunity for an informal hearing before an eviction.

9.7 DETERMINING CONTRACT RENT

9.7.1 Initial contract rents. [Notice PIH 2019-23]

9.7.1.1 RAD conversions are intended to be cost-neutral, and therefore, should not exceed current public housing funding as adjusted for unit size. Since public housing units do not currently have contract rents, HUD provides an estimate of current contract rents for RHA's public housing units based on current funding. Current funding includes

operating subsidy, tenant rents, capital funds, replacement housing factor funds (RHF), and demolition disposition transitional funding (DDTF). The funding may limit the amount of initial rent for a property. A detailed explanation of the determination of current funding may be found in Attachment 1C of Notice PIH 2019-23. Once the current funding amount is calculated, the amount is adjusted by bedroom size to determine the current funding rent. HUD uses the same bedroom adjustment factors as in the metropolitan FMR schedules where the project is located.

9.7.1.2 RHA may adjust subsidy (and contract rents) across multiple projects as long as RHA does not exceed the aggregate subsidy for all of the projects RHA has submitted for conversion under RAD.

9.7.1.3 Notwithstanding HUD's calculation of the initial contract rent based on the project's subsidy under the public housing program and any modifications made to the initial contract rent, the initial rents are set at the lower of:

a. An amount determined by RHA, not to exceed 110 percent of the fair market rent (FMR) or RHA's exception payment standard approved by HUD, or the alternate rent cap in RHA's MTW agreement minus any utility allowance.

b. The reasonable rent requested by the owner.

9.7.2 Adjusting contract rents. [Notice PIH 2019-23; PBV Quick Reference Guide (10/14)]

9.7.2.1 Contract rents will be adjusted annually only by HUD's operating cost adjustment factor (OCAF) at each anniversary of the HAP contract, subject to the availability of appropriations for each year of the contract term. As such, Section 8(o)(13)(I) of the 1937 Act, and 24 CFR §§ 983.301 and 983.302, concerning rent determinations, do not apply when adjusting rents. The rent to owner may at no time exceed the reasonable rent charged for comparable unassisted units in the private market, as determined by the contract administrator in accordance with 24 CFR § 983.303.

9.7.2.2 Contract rents may not exceed the reasonable rent, with the exception that the contract rent for each unit may not be reduced below the initial contract rent under the initial HAP contract. However, the rent to owner may fall below the initial contract rent in the following situations:

a. To correct errors in calculations in accordance with HUD requirements.

b. If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 24 CFR § 983.55 (prohibition of excess public assistance).

c. If a decrease in rent to owner is required based on changes in the allocation of responsibility for utilities between the owner and the tenant.

9.7.2.3 The contract rent adjustment will be the lesser of:

a. The current contract rent increased by the operating cost adjustment factor (OCAF), which is published annually in the *Federal Register*; or

b. The reasonable rent requested by the owner.

9.7.2.4 RHA (or independent entity, if the project is PHA-owned) is responsible for processing rent adjustments, at each contract anniversary date, in accordance with the prevailing OCAF.

9.7.2.5 At least 120 days before the contract anniversary date, HUD recommends that the owner submit the OCAF rent adjustment worksheet (Form HUD-9625) to the PHA administering the PBV assistance (or the independent entity). RHA will validate the data on the form and determine whether the rent exceeds the reasonable rent charged for comparable unassisted units in the private market, in accordance with 24 CFR § 983.303. If rents would be unreasonable following application of the requested OCAF, then the rent can only be increased up to the reasonable rent. The approved rent adjustment will go into effect and the new rents to owner will take effect on the date of the contract anniversary.

9.7.3 Utility allowances. [Notice PIH 2019-23; PBV Quick Reference Guide (10/14)]

9.7.3.1 When contract rent amounts are set initially, the amount does not include a utility allowance. Utility allowances that are used on the initial HAP contract at closing are the public housing utility allowances that are in effect prior to conversion. The CHAP will be updated prior to conversion to reflect current public housing utility allowances. At its discretion, RHA may use the FMRs and utility allowances in effect during the 30-day period immediately before the beginning date of the HAP contract.

9.7.3.2 RHA may apply site specific utility allowances after sufficient time has passed to collect energy usage at newly constructed or rehabilitated sites. Until such time, RHA's HCV utility allowance will be used. A site-

specific utility allowance will be applicable to non-RAD PBV units in the project and is calculated consistent with Notice PIH-2015 04.

9.7.4 Reasonable rent. [24 CFR § 983.303]

9.7.4.1 At the time the initial rent is established and at all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by RHA. Rents must not be reduced below the initial rent except to correct errors, for additional subsidy to the property, or to realign utility responsibilities.

9.7.4.2 Reasonable rent determinations will be conducted in accordance with Chapter 12.

9.8 PAYMENT TO OWNER

9.8.1 Initial certifications. [Notice PIH 2019-23]

9.8.1.1 For newly converted public housing units, RHA will use the family's public housing tenant rent (reflected on line 10f of the family's most recent 50058) at the date of conversion to calculate HAP and tenant rent for the PBV program for the initial certification, RHA will use this amount until the effective date of the earlier of the family's first regular or interim recertification following the conversion. At that point, RHA will use the family's TTP based on the recertification and the applicable utility allowance (HCV or RAD PBV site-based, as applicable) to determine PBV HAP and tenant rent. Any non-RAD PBV units located in the same project are subject to the same requirements.

9.8.2 Phase-in of tenant rent increases. [Notice PIH 2019-23]

9.8.2.1 RHA will implement a three-year phase-in for in-place families whose TTP increases by more than the 10 percent (10%) or $25, whichever is greater, purely as a result of the conversion as follows:

a. Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion will result in 33 percent (33%) of the difference between the most recently paid TTP and the calculated PBV TTP.

b. Year 2: Year 2 annual recertification and any interim recertification will result in 50 percent (50%) of the difference between the most recently paid TTP and the calculated PBV TTP.

c. Year 3: Year 3 annual recertification and all subsequent

recertifications are calculated at full PBV TTP.

9.8.2.2 Once the standard TTP is equal to or less than the previous TTP, the phase-in ends and tenants will pay full TTP from that point forward.

CHAPTER 10: RHA OWNED OR CONTROLLED PROPERTIES WITH PBVS

10.1 GENERAL

As detailed in RHA's MTW Plan, RHA will provide additional opportunities to meet local housing needs by providing non-Public Housing properties owned or controlled by RHA with project-based vouchers without requiring a competitive process. [24 CFR § 983]

10.1.1 Process for assigning PBVs. RHA will assign PBVs to non-Public Housing properties owned or controlled by RHA using this process:

10.1.1.1 Obtain environmental reviews.

10.1.1.2 Receive a passed NSPIRE inspection.

10.1.1.3 Request Board Approval to assign project-based vouchers to units.

10.1.2 Setting rents. RHA will set initial rents for these units based on federal regulation and program requirements pursuant to the funding source used to purchase/construct the unit. This may include setting rents at or below current HOME rents, at Low Income Housing Tax Credit rents, or RHA's payment standard.

10.1.3 Statutory provisions apply. Each of the provisions set forth in 24 CFR § 983.4 apply to assistance under the PBV program. These include but are not limited to environmental review, fair housing, fraud, labor standards, and relocation assistance.

10.2 MOBILITY PROGRAM

10.2.1 RHA purchased units in low poverty areas and assigned a PBV to each unit.

10.2.2 Eligible families for the Mobility Program are selected and referred by Asset Management staff and voluntarily placed on the Mobility transfer list.

10.2.2.1 As units become available, eligible families on the Mobility transfer list are placed in a lottery and referred based on bedroom size.

10.2.2.2 Families are randomly selected and offered the available unit.

10.2.2.3 In the event a family denies a unit, they will be placed back on the Mobility transfer list for future selection of available units.

10.2.2.4 Families who are eligible for the Mobility Program will have additional data collected on a yearly basis. If a family refuses to provide this data, it may be grounds for termination of assistance.

10.3 PARTNERSHIP PROGRAM

10.3.1 RHA partners with local nonprofit organizations and commits PBV to select RHA owned properties.

10.3.2 Families are referred by the partnering agency and must meet RHA eligibility requirements.

10.3.3 RHA will run criminal history and sex offender screening for all applicants referred.

10.3.4 Families must comply with all requirements of the referring agencies to remain eligible to receive continued housing assistance.

10.3.5 Families are required to meet RHA's occupancy standards.

10.3.6 Families are eligible for a regular voucher after one year, under certain conditions, and must have the approval of the referring agency.

10.4 SCREENING FOR SUITABILITY

In developing its admission policies, the aim of RHA is to attain a tenant body composed of households with a broad range of incomes and to avoid concentrations of the most economically deprived households and households with serious social problems. It is the policy of RHA to deny admission to applicants whose habits and practices may reasonably be expected to have a detrimental effect on the operations of the development or neighborhood or on the quality of life for its residents.

10.4.1 In order to determine the effect an applicant's conduct would likely have on a project or its residents, documentation may include letters and reports of interviews or telephone conversations with reliable sources such as current and previous landlords, employer, social worker, parole officer, court records, drug treatment centers, clinics, physicians and police departments. These reports shall include the date, source of information, name and title of person contacted, and a summary of the information received. The information shall include, but not be limited to the following:

10.4.1.1 Time, nature and extent of the applicant's habit and practices in regard to:

a. Internal review to ensure that the applicant has no outstanding debt owed to RHA or any other HUD-subsidized housing program such as unpaid rent, damages, or claims paid to private landlord on behalf of former Public Housing or HCV recipients.

b. Past performance in meeting financial obligations, especially rent.

c. RHA will examine any Housing Authority records from a prior tenancy and will request written references from the applicant's current landlord and may request written references from former landlords for the past three years. Based upon these verifications, RHA will determine if the applicant was chronically late with rent payments, was evicted at any time during the past three (3) years for nonpayment of rent, or had other legal action initiated against him/her for debts owed. Any of these circumstances could be grounds for ineligibility determination, depending on the amount of control the applicant had over the situation.

d. Disturbance of neighbors.

e. Destruction of property.

f. Living or housekeeping habits.

g. History of criminal activity involving crimes of physical violence to persons or property.

h. Other acts which would adversely affect the health, safety or welfare of other residents.

i. Illegal use of a controlled substance.

j. Alcohol abuse in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

k. Violation under 24 CFR § 982.551, not to engage in any drug-related criminal activity.

10.4.1.2 Factors which indicate a probability of favorable future conduct or financial prospects, such as:

a. Evidence of rehabilitation.

b. Evidence of willingness to participate in appropriate counseling service programs, and availability thereof; or

c. Evidence of willingness to attempt to increase income and availability of training or employment programs in the locality.

10.4.2 In addition to the review of the applicant's conduct required in Chapter 3, the Applicant Review Board procedure is hereby incorporated by reference for any applicant who has been convicted of felonious criminal activity or who has engaged in drug-related criminal activity or who has been evicted from housing

assisted under the U.S. Housing Act because of drug-related criminal activity.

10.4.3 RHA will permanently deny admission to its PBV properties, persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing in violation of any Federal or State law. “Premises” is defined as the site, building or complex which the unit is located, including common areas and grounds where applicable. RHA will not waive this requirement.

10.4.4 RHA will deny admission to its PBV properties, or any other RHA owned or managed properties, any household in which a household member is subject to a lifetime sex offender registration requirement. This provision will not be waived.

10.5 TENANT SCREENING

RHA will screen applicants for RHA-owned PBV units under the same conditions as the tenant-based voucher applicants to ensure eligibility for the program. In addition, RHA will also screen prior rental history suitability and credit.

10.6 SETTING RENTS FOR RHA-OWNED PROPERTIES WITH PBVS

Setting rents will follow the same guidance as outlined in Section 8.6.

10.7 HAP PAYMENTS FOR RHA-OWNED PROPERTIES WITH PBVS

Payments will be processed following the same guidance as outlined in Section 8.7.

CHAPTER 11: INSPECTIONS

It is the responsibility of RHA to ensure all units on the voucher program meet HUD standards following approved inspection protocols, including National Standards for the Physical Inspection of Real Estate (NSPIRE). [24 CFR § 982.405]

11.1 INSPECTION REQUIREMENTS

In order to ensure compliance with this regulatory requirement, RHA staff will perform an initial inspection prior to execution of the PBV HAP contract, a biennial inspection during continued occupancy, special inspections as requested by tenants or owner/managers, and quality control inspections to ensure that inspections are being conducted in accordance with HUD and RHA guidelines.

11.2 INITIAL INSPECTIONS

Prior to the execution of the PBV HAP contract and upon notification of a vacancy in a PBV unit already under contract, staff will contact the owner of the unit to schedule an inspection. For RHA's protection, the owner/manager will sign the initial inspection form. If the unit fails the inspection, the owner/manager will be notified in writing of the deficiencies and what repairs must be made to meet HUD's standards. Repairs shall be made within 14 days.

11.2.1 RHA allows initial inspections to take place prior to the submittal of a RFTA. Initial inspections, with or without a RFTA submission, are valid for 90 days.

11.2.2 If RHA conducts an initial inspection and the tenant never moves in, the inspection results may be used for a subsequent referral within 90 days, provided no one has occupied the unit in the interim.

11.2.3 Newly constructed or substantially rehabilitated properties may be held to an alternative initial inspection policy. For these properties, RHA will inspect 10% of units per bedroom size, or at a minimum, two inspections per bedroom size. If failed items are noted in the initial inspection, the owner must certify that those failed items will be addressed in all remaining uninspected units. The owner will also be required to certify that the units have not been occupied since receiving the certificate of occupancy or completing the substantial rehabilitation.

11.3 BIENNIAL INSPECTIONS

RHA will conduct an inspection of a unit biennially (within two years from the date of last inspection) during assisted occupancy for all households. If RHA is unable to gain access to the unit on or before this date due to delays caused by the household, the file will be recommended for termination.

11.3.1 Households and owners/managers will be notified in writing that the biennial inspection is due and when it is scheduled within the upcoming 14 days.

11.3.1.1 If the household is claiming an illness and requests to reschedule the inspection or refuses entry at the time of inspection, RHA will automatically reschedule the inspection approximately two (2) weeks

later.

a. If the household continues to claim illness and requests further rescheduling of the inspection, RHA may require documentation.

b. If the household fails to provide the requested documentation, the file may be recommended for termination.

c. If the unit fails the inspection, both the tenant and the owner/manager will be notified in writing of the deficiencies and what repairs must be made to meet HUD's standards. Repairs shall be made within 30 days unless the failed item is deemed life-threatening.

- If there are life-threatening deficiencies which present an immediate danger to the health and safety of the household, both the tenant and the owner/manager will be notified in writing and all other methods available to RHA that the deficiency must be corrected within 24 hours.

- Items that are considered life-threatening deficiencies can be found in Appendix 6.

11.3.1.2 The inspector will indicate for each failed item if it is the responsibility of the tenant or the owner/manager to complete the repairs. This is not an indication of which party caused the item to fail and does not prevent an owner/manager from charging the tenant for the repairs (if permitted in the lease agreement).

11.3.1.3 In the case of failed items related to the presence of bed bugs, the owner/manager will be required to show proof that treatment has been provided to resolve the failed item. As long as treatment is being provided, the continued presence of bed bugs will not necessarily constitute a fail.

a. If the owner can show that they have been attempting to provide treatment for bed bugs and the tenant has not complied, this will be considered a tenant-responsible item and the file may be recommended for termination.

11.3.1.4 RHA staff will schedule a reinspection of the unit at least 30 days from the initial fail date to determine if the deficiencies have been corrected.

a. In lieu of scheduling a reinspection, RHA may accept landlord or tenant-provided photos of some or all of the items RHA may also provide the participant and/or the owner/manager with a self-certification form to be completed for non-life-threatening items. This form must be returned to RHA to consider the deficiencies corrected.

11.3.1.5 If the owner/manager does not take the required corrective action within the specified time, RHA may abate the housing assistance payment beginning 30 days after the first failed inspection and continuing until the unit passes inspection or the contract is canceled.

a. For 24-hour life-threatening items, if the owner/manager does not take the required corrective action within the specified time, RHA will abate the housing assistance payment beginning the day of the first failed inspection and continuing until the unit passes inspection or the contract is canceled.

11.3.1.6 RHA will reinspect the unit within five (5) days of the owner/manager's contact with RHA to report the correction of deficiencies or, if the landlord fails to contact RHA, no later than 30 days from the date of the second failed inspection. The abatement will end on the day of the owner/manager's call if the unit meets HUD's standards. No retroactive payments will be made for the period the unit was in abatement. The tenant will not be held responsible for the amount of the abatement.

11.3.1.7 If more than two (2) inspections are required, RHA may charge a $75 inspection fee on each additional inspection if the remaining items are the responsibility of the owner/manager. The tenant will not be held responsible for these fees.

11.3.1.8 If the owner/manager fails to take the required corrective action within 30 days after the beginning of abatement of the housing assistance payment, RHA may terminate the contract in accordance with the HAP contract. While the termination notice is running, the abatement will remain in effect.

a. If the HAP contract is terminated as the result of the owner/manager failing to correct inspection deficiencies, the household will be notified in writing that they must move and will be issued a voucher.

11.3.1.9 If the tenant fails to correct the tenant responsible deficiencies within 30 days from the initial inspection, RHA will initiate termination of housing assistance for NSPIRE breach.

11.3.1.10 Owners and households may be given extensions to cure NSPIRE breaches. The inspector may give an extension of up to 30 days. Any extension of more than 30 days must be approved by the Director of Rental Assistance or other designated staff.

11.4 ALTERNATIVE INSPECTION METHODS

11.4.1 In lieu of conducting a biennial inspection, RHA may rely upon alternative inspections conducted by the following entities/programs:

11.4.1.1 HUD's Real Estate Assessment Center (REAC),

11.4.1.2 The HOME Investment Partnerships (HOME) program, or

11.4.1.3 The Low-Income Housing Tax Credit (LIHTC) program.

11.4.2 For the alternative inspection to be used in place of an RHA-conducted biennial inspection, all HCV and PBV units at the property must have been included in the universe of units forming the basis of the sample. This does not mean that the HCV and PBV units must be in the actual sample being inspected – just that they had the potential to be selected for inspection.

11.4.2.1 For alternative inspection methods that employ sampling (such as HOME and LIHTC), the date of the inspection will be used for all units in the universe, even if those units were not selected for inspection.

11.4.3 Reports on alternative inspection methods must be obtained by RHA from the entity inspecting the units within five (5) business days of the inspection and must be available for HUD inspection for at least three (3) years from the date of the latest inspection.

11.4.4 RHA must promptly review the results of any alternative inspection to ensure the results may be used.

11.4.4.1 In the case of an alternative inspection method that uses a "pass/fail" scoring system, RHA may rely on the alternative inspection if the property receives a "pass" score, even if deficiencies exist.

11.4.4.2 In the case of an alternative inspection method that results in a list of deficiencies without a pass/fail designation, RHA must determine that none of the cited deficiencies would have resulted in a "fail" under NSPIRE.

11.4.5 Under any circumstance where RHA cannot use the alternative inspection method for a property, an NSPIRE inspection must be conducted for all units occupied by voucher program participants.

11.5 SPECIAL INSPECTIONS

There may be circumstances other than the initial and biennial inspections which require RHA staff to determine a unit's compliance with HUD's standards as follows:

11.5.1 Complaints from participating households, owner/managers or other sources, i.e., Health Department, Building Inspector or HUD, regarding the unit's condition or lack of maintenance and services by the parties responsible. If the unit fails the inspection, paragraphs 11.3.1.2 through 11.3.1.10 will apply.

11.5.2 Owner/manager requests to determine if a unit qualifies for potential participation. Such preliminary inspections may not be considered as substitutions for required initial inspections that may result from receipt of an RFTA.

11.5.3 RHA staff may inspect a unit for reasons other than determining compliance with HUD's standards, i.e., verifying reports of abandoned units or occupants not on the lease agreement.

11.5.4 For complaints of serious deficiencies which present an immediate danger to the health and safety of the household, e.g., exhaust fumes from the heating system, propane, natural gas or methane gas smell, missing or inoperable smoke detector, missing electrical panel cover and/or exposed wires, disconnected hot water tank, disconnected HVAC or lack of heat in winter, the owner/manager will be notified in writing that the deficiency must be corrected within 24 hours.

11.5.4.1 If the owner/manager does not take the required corrective action within the 24-hour time period, RHA will abate HAP beginning 24 hours from the date of the initial inspection until the deficiency has been corrected.

11.6 QUALITY CONTROL INSPECTIONS

HUD requires reinspection of a percentage of approved units [24 CFR § 983.103]. Quality control inspections enable RHA to provide assurances that only those units that meet HUD's standards are approved, to catch inadvertent errors by inspectors, to provide general and specific information concerning the level of competence and consistency of the inspection staff, and to encourage higher performance by inspectors.

11.6.1 Appropriate and assigned staff will randomly select a representative sample of the units for reinspection. The units to be reinspected will include initial, annual and special inspections.

11.6.2 If the unit fails the inspection, paragraphs 11.1.3.2 through 11.1.3.10 will apply.

11.6.3 If the unit fails the inspection and it appears the unit failed at the time of the initial, annual or special inspection, a report will be completed to include information on the inspector's name, nature of the deficiency, corrective action required and follow up.

CHAPTER 12: RENT REASONABLENESS

A reasonable rent is defined by HUD regulations as one that does not exceed the rent charged for comparable, unassisted units in the same market area. The purpose of rent reasonableness is to ensure that fair rent is paid for each unit rented under RHA's voucher programs. [24 CFR § 982.507]

12.1 RENT REASONABLENESS TEST

12.1.1 RHA has contracted with AffordableHousing.com to certify and document, on a case-by-case basis, that the rent to owner for each unit for which a lease has been approved is reasonable in relation to and does not exceed rents currently being charged for comparable units in the private unassisted market.

12.1.2 RHA may choose to waive the requirement for a rent reasonableness determination if the new requested rent amount is less than the current payment standard.

12.1.3 Three (3) comparable rents will be obtained for each contract executed. The average of these three rents will be used as the maximum approvable contract rent. AffordableHousing.com documents, and RHA staff review and approve the following:

12.1.3.1 Number of bedrooms and bathrooms.

12.1.3.2 Square footage of unit.

12.1.3.3 Approximate date built.

12.1.3.4 Type of unit, such as single family, duplex, garden apartment, high-rise, townhouse.

12.1.3.5 Type and condition of exterior walls.

12.1.3.6 Utilities which are/are not included in rent.

12.1.3.7 Extent to which unit meets HUD's standards.

12.1.3.8 Extent to which management and maintenance services are included in rent.

12.1.3.9 Amenities such as dishwasher, air conditioning, extra bath, energy efficient, extra room, swamp cooler, washer/dryer, hookups only, cable television, or furnished facilities such as covered parking, fenced yard, or recreation facilities.

12.1.4 If requested, the landlord must give RHA information on rents charged for other units in the same complex or elsewhere. By accepting RHA's monthly HAP, the landlord certifies that rent for a voucher unit does not exceed the rent charged

for comparable unassisted units in the same complex.

12.1.5 Rents may also be limited when the unit is subject to rent control under local law, rent restrictions under the rules for the HUD HOME program, for project-based certificate units to ensure that an owner does not receive excessive subsidy, and at the discretion of RHA because of other governmental subsidies in addition to voucher assistance.

CHAPTER 13: RECERTIFICATION OF INCOME AND ELIGIBILITY

To ensure the amount of income-based rent being paid by program participants is accurate, RHA must perform a recertification of household income. This chapter outlines RHA's policy for conducting regular recertifications and explains the interim reporting requirements for participating families. Between regular recertifications, HUD requires that families report all changes in household composition, RHA decides what other changes must be reported and the procedures for reporting them. [24 CFR §§ 5.216 and 982.516]

13.1 RECERTIFICATIONS

Participants in PBV programs have their household income recertified annually or triennially. This includes a reexamination of continued eligibility, household composition, and a recertification of household income, assets, and allowances.

13.1.1 Annual recertification. Three (3) months prior to the end of the tenant's first year of participation, and each year thereafter, staff will redetermine household income, assets, and allowances.

13.1.1.1 All households on an annual recertification schedule will receive written notification. This notice will include:

a. The date when the recertification is due to be turned in by mail or electronically.

b. The documents that must be provided within the required time frame.

13.1.1.2 The recertification process will review each item of information applicable to the household including, but not limited to, household composition, income and asset information, qualification for standard medical deduction and child care expenses. Staff will provide the household with an estimate of the tenant rent, subject to verification, and the effective date.

a. Upon verification of all applicable information, the TTP, tenant rent, and HAP are computed (see Chapter 7). RHA will notify the tenant in a Notice of Rent Change no later than 30 days before the effective date with a copy also mailed to the owner/manager.

13.1.1.3 *Failure to complete recertification.* If a household fails to complete the electronic or mail-in certification within 21 days of the first notification, a second notice will be sent to the household reminding them to complete the recertification process. The notice will state that failure to complete the recertification process within the next 21 days

will result in the termination of housing assistance.

13.1.1.4 Persons with disabilities or those who lack the technology required to complete their electronic recertification may request an alternative means of recertification.

13.1.1.5 When households move to another unit between certifications, the anniversary date for the recertification will not be changed.

13.1.2 Triennial recertification. Elderly/disabled households with stable income sources that are limited to Social Security benefits, Supplemental Security Income (SSI), Social Security Disability (SSD), and pensions, have their income recertified every third year.

13.1.2.1 Except for timing, triennial recertifications follow the same steps outlined in Section 13.1.1.

13.1.3 Interim recertifications. Participants are required to report any decrease in assets or income, or any change in household composition or circumstances within 30 calendar days of the change and are advised of this at the time of their initial briefing session and again at their annual re-examination. Participants may report any increase in assets or income. To report a change, the head or co-head will complete a form and indicate what has changed in the form.

13.1.3.1 *Notice of rent change.* Any notice of rent change must be sent to the household and owner/manager. Increases in the client's portion of rent require at least 30 days' notice. If the household fails to report timely, a 30-day rent increase notice will be given; however, the household will be charged for the overpaid assistance retroactively to the month the change would have occurred if reported timely, except in instances where a delay in RHA processing has caused an undue accumulation of debt. Rent decreases do not require 30 days' notice.

13.1.3.2 *Decreases in income.* When a household experiences a decrease in income, RHA will, after proper verification, make the appropriate change based on the following:

a. The written report must be received by RHA within 30 calendar days of the reported change. The rent decrease will be effective on the first day of the month following the date the household reported the change.

b. If the household does not report the change within 30 calendar days, the rent decrease will be effective the first day of the month following the date the household reported, but

the rent decrease will not be retroactive to reflect late reporting of any loss of income.

c. Because rent is based on annual income, the decrease must be of at least 30 calendar days duration to substantially alter the annual income and process the decrease.

d. A resident's monthly contribution to rent will not be decreased where a decrease in income is the result of non-compliance with the conditions of housing assistance or where housing assistance is decreased due to fraud.

e. For new participants and current clients who are moving in or transferring, rent decreases will be effective the first of the month following lease-up, if reported timely.

13.1.3.3 *Increases in Income.* When the household's monthly income increases, a rent increase will not be processed until the next annual recertifications unless:

a. There is a change in the family composition.

b. The resident is an IMPACT Program participant with a signed contract of participation, and they request that we process the interim to update the amount being contributed to their escrow account.

c. An interim decrease was processed, and the household was not entitled to the decrease because of fraud, misrepresentation, or the loss of income was not for at least 30 days in duration.

13.1.3.4 Interim changes may also be initiated by RHA if circumstances warrant such actions. Examples include but are not limited to: addition or removal of a household member, tenant failure to report accurate or complete information, temporary unemployment, unstable or sporadic income.

13.1.4 <u>Incentive for households with zero HAP.</u> Concurrently with the recertification of household income, RHA will determine if the family is eligible for continued assistance (see Section 3.2). Income limits do not apply as criteria for continued eligibility at the time of annual recertification, however, as household income increases, families may pay full contract rent. Based on household income, once the amount payable by the family equals the gross rent for the occupied unit,

the household pays full contract rent and RHA pays $0 assistance (zero HAP) to the landlord. HAP contracts with a payment to the landlord of $0 remain active for 365 days before being terminated unless, at any time during the 365-day period, the family reports a change in circumstance whereby a HAP payment resumes.

13.1.4.1 Households may self-certify income during the 365-day zero HAP period.

13.1.4.2 *Program Completion Escrow*. Each month the household is paying full contract rent for the occupied unit during the zero HAP period, RHA will set aside 15% of the contracted rent amount in an "escrow" savings account. The total of this savings account will be made payable to the household once the family transitions off the voucher program or at the conclusion of the 365 consecutive days of receiving $0 assistance from RHA.

a. If the household's assistance is terminated for violation of the family obligations, the household may not be eligible to receive the escrow savings account.

b. If the household remains in the unit after 365 days, the HAP contract is terminated. If, within the 365-day time frame, a change in circumstance, such as a rent increase, occurs that results in the household being made eligible for assistance again, RHA will resume HAP payments to the landlord for the household.

c. For a household to move to another unit during the 365 days, the rent for the new unit must be high enough to necessitate HAP assistance.

d. If the household owes a debt to RHA, the escrow savings account will be used to reduce the balance owed. Any remaining balance after paying the debt in full will be issued to the household.

13.1.4.3 The escrow accrual will begin the first month that the family reaches zero HAP and will accumulate monthly for no more than 12 months.

13.1.4.4 If at any time during the 365-day zero HAP period, RHA resumes providing HAP to the landlord on behalf of the household, the full amount accrued in the escrow savings account will be forfeited. Escrow accrual will start over from zero if/when the household

reaches zero HAP again.

13.1.4.5 If the family chooses to move off of the program at any time during the 365-day zero HAP period, RHA will allow them to move off of the program with the amount accumulated in the escrow savings account as of the date of the move off notice.

13.1.4.6 Escrow accrual during the 365-day zero HAP period is subject to funding availability and payouts will be limited to one per lifetime for all adults within the household at the time the escrow accrual is paid to the family.

13.1.4.7 Households participating in RAD-PBV are not eligible to receive the zero HAP incentive.

13.1.4.8 Participants of the IMPACT Program are only eligible for one escrow disbursement of funds. Disbursement of funds will consist of either the accrued escrow amount based on participation and graduation from the IMPACT Program or the amount accrued during the zero HAP period.

13.1.5 Income changes resulting from welfare program requirements. [24 CFR § 5.615]

13.1.5.1 RHA will not reduce the household share of rent for households whose welfare assistance is reduced due to a "specified welfare benefit reduction," which is a reduction in benefits by the welfare agency specifically because of fraud in connection with the welfare program, or noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program. However, RHA will reduce the rent if the welfare assistance reduction is a result of a situation where the household has complied with welfare program requirements but cannot or has not obtained employment.

13.2 DE MINIMIS ERRORS

13.2.1 RHA will not be considered out of compliance with the requirements in this section solely due to de minimis errors in calculating family income. See Appendix 1 for the definition of De Minimis Errors.

13.2.2 RHA must still take any corrective action necessary to credit or repay a family if the family has been overcharged for their rent or family share as a result of the de minimis error in the income determination, but families will not be required to repay RHA in instances where RHA has miscalculated income resulting in a family being undercharged for rent or family share.

13.2.2.1 For calculation errors where the family was overcharged and which occurred during tenancy at a previous unit, credit will be issued directly to the family.

13.2.2.2 For calculation errors where the family was overcharged and which occurred during the tenancy at the current unit, credit will be issued to the landlord (unless the landlord requests that it be paid to the family to avoid ledger credits).

13.2.2.3 For calculation errors where the family was undercharged, the family will be provided with a 30-day notice of the increase to their rent portion and will not be required to repay RHA for prior months.

13.2.3 HUD may revise the amount of de minimis error through a rulemaking published in the Federal Register for public comment.

CHAPTER 14: REMOVAL AND ADDITION OF HOUSEHOLD MEMBERS

14.1 REMOVAL OF HOUSEHOLD MEMBERS

14.1.1 Head of household, co-head or spouse. RHA requires a notarized statement from the individual requesting to be removed, or the individual may meet with RHA staff with their current photo identification and make a written statement removing themselves from the assistance.

14.1.2 Adult household members other than the head of household, co-head or spouse. The head of household can make a written request for an adult member to be removed from the household by providing RHA with self-certification that they are no longer residing in the assisted unit.

14.1.3 Minor child. The head of household can make a written request for a minor child to be removed from the household by providing RHA with a self-certification that they are no longer residing in the assisted unit.

14.2 RETENTION OF VOUCHER WITH REMOVAL OF MEMBERS

14.2.1 To be considered the remaining member of the tenant household, the person must have been previously approved by RHA to be living in the unit. A reduction in household size may require a reduction in the subsidy size.

14.2.1.1 A live-in aide is not a member of the household and will not be considered a remaining member of the household.

14.2.1.2 For a minor child to continue to receive assistance as a remaining household member, the court must have awarded emancipated minor status. RHA may also provide a reasonable amount of time for an adult who is granted guardianship of the remaining minor to be added to the household.

14.2.2 When a household breaks up, RHA may determine, on a case-by-case basis, what household members will retain the housing assistance.

14.2.2.1 The voucher will not be bifurcated.

14.2.2.2 In cases where minor children are part of the assisted household, the parent or guardian who has custody of the children may retain the assistance.

14.2.2.3 Household members who are forced to leave a subsidized unit because of actual or threatened physical violence by a spouse or other household member may retain the assistance.

a. If an adult household member is claiming VAWA protections against another adult household member, RHA will allow five

(5) days from the initial request of removal for the household member to contest the claim by providing an acceptable certification and/or supporting documentation. Upon receipt of both claims, RHA will review the documentation and determine, based on additional policies stated in this plan, the household member that will retain the assistance.

14.2.2.4 In households classified as elderly, handicapped or disabled, the elderly, handicapped or disabled person may retain the assistance if they are a responsible party to the lease and over age 18.

a. In households that have individuals who meet the same above conditions, the adult with seniority in the household will retain the voucher.

14.2.2.5 When a court determines the disposition of property between members of the assisted household in a divorce or separation under a settlement or judicial decree, RHA is bound by the court determination of which household members continue to receive assistance in the program.

14.2.2.6 In cases where the household cannot determine who should retain the assistance, the decision will not be made by RHA except as outlined above.

14.3 ADDITION OF APPROVED HOUSEHOLD MEMBERS

All individuals must be approved by RHA prior to moving into an assisted unit. The individuals must meet all program eligibility requirements and supply all required documents before RHA can approve the addition of a household member. RHA will not conduct a re-examination to add a household member until all needed documentation and verifications are received. No one will be added to the assisted household until documentation of citizenship, and a Social Security number are received.

14.3.1 Approval to add adult household members.

14.3.1.1 For an individual to be eligible to receive assistance, the applicant household member must be determined eligible by RHA (see Chapter 5 and Chapter 17).

14.3.1.2 The household must state whether they are requesting the individual to be added as the co-head or other adult.

14.3.1.3 The household must provide documentation that the adult has a different residence.

14.3.2 Approval to add minor household members.

14.3.2.1 For an individual under the age of six (6) claiming to be eligible to

receive assistance, the household must disclose any social security number issued and has 90 days to provide the verification. If no social security number has been issued, the household has 90 days to disclose a social security number and provide documentation. A 90-day extension can be granted, if the household provides documentation that the delay in providing documentation is caused by factors beyond the household's control, and the household has made every effort to obtain the documentation.

14.3.2.2 In the case of a newborn child, the head of household will submit a completed add-a-member packet within 30 days of the birth of the child. The household will have 90 days from the date of birth to provide RHA with the original Social Security card. If needed, the household may request a 90-day extension before the 90 days have elapsed. The household may be required to provide documentation supporting the need for an extension.

14.3.2.3 For a minor other than a newborn to be added to an assisted household, custody must be established.

a. If custody has been awarded by a court proceeding, court determination must be provided.

b. If there has been no court determination of custody, a notarized statement from the other parent must be provided along with a self-certification from the assisted household that no court determination exists and who shall have custody of the child(ren).

c. Children of a live-in aide shall not be considered household members unless the head of household has legal custody of the children.

14.4 VISITORS

A household may request approval of a guest for up to 90 days. Written requests for guests to stay in the assisted household must be submitted to RHA prior to the guest's arrival and must include the full name of each guest. All requests for guests must be made in compliance with the lease agreement.

14.4.1 If the household is in the process of adding a new member to the household, additional time may be considered if the household has complied with all RHA requests.

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

14.4.3 The burden of proof that the individual is a visitor rests on the household. In the absence of such proof, the individual will be considered an unauthorized member of the household and RHA will terminate assistance since prior approval was not requested for the addition.

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

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

14.4.5 In a joint custody arrangement, if the minor is in the household 182 days or less per year, the minor will be considered an eligible visitor and not a household member. Since the child is a visitor, the child will not be included when determining subsidy size.

14.4.5.1 When both parents are on the waiting list or receiving housing assistance and both are trying to claim the child, the parent whose address is listed in the child's school records is allowed to claim the school-age child as a dependent.

14.4.5.2 If the child is not enrolled in school, RHA will rely upon official records from daycare providers, tax records, and insurance providers such as Medicaid.

14.5 HOUSEHOLD REQUESTS FOR CHANGE IN HEAD OF HOUSEHOLD OR CO-HEAD/SPOUSE

14.5.1 Changes in head of household or co-head/spouse will only be processed upon verification of a medical need for the change or a change in household composition. Changes that would cause the household to be deemed an elderly or disabled household or will cause an increase in subsidy size will not be processed without a change in household composition.

CHAPTER 15: TRANSFER OF TENANCY

15.1 ALLOWABLE MOVES

15.1.1 Overcrowded, under-occupied, and accessible units. [24 CFR § 983.260; Notice PIH 2019-23]

15.1.1.1 If RHA determines that a family is occupying a wrong-size unit, based on RHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, RHA must promptly notify the family and the owner of this determination. RHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

a. PBV assistance in the same building or project.

b. Other project-based housing assistance (occupancy of a public housing unit).

c. Tenant-based rental assistance under the voucher program.

d. Other comparable tenant-based rental assistance.

15.1.1.2 If RHA offers the family a tenant-based voucher, RHA will terminate the housing assistance payments for a wrong-size or accessible unit at the earlier of the expiration of the term of the family's voucher, including any extension granted by RHA, or the date upon which the family vacates the unit. If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the term of the family's voucher, RHA must remove the unit from the HAP contract.

15.1.1.3 When RHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 calendar days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, RHA will terminate the housing assistance payments at the expiration of this 30-day period. RHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

15.1.2 Family right to move. [24 CFR § 983.261]

15.1.2.1 The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to RHA. See Chapter 17 for further information.

15.1.2.2 If the family wishes to move with continued tenant-based assistance, the family must contact RHA to request the rental assistance prior to providing notice to terminate the lease. If the family terminates the lease in accordance with lease requirements, RHA will offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance.

15.1.2.3 RHA will maintain a combined, agency-wide waiting list for all standard PBV and RAD PBV families wishing to exercise mobility after one year of tenancy. This list will be maintained separately from the tenant-based HCV list. Families on the choice mobility waiting list will be given priority over families on the tenant-based waiting list. The choice mobility waiting list will be organized by date and time of the family's written request to exercise choice mobility. The list will also identify whether families live in standard or RAD PBV units.

15.1.2.4 *Termination of assisted lease before one year.* If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

15.1.2.5 *Notice exclusion.* When the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, and the move is needed to protect the health or safety of the family or family member, the family is not required to give the owner advance written notice or contact RHA before moving from the unit. Additionally, when any family member has been the victim of a sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move, the family is not required to give the owner advance written notice or contact RHA before moving from the unit. RHA may not terminate the assistance of a family due to a move occurring under the circumstances in this paragraph and must offer the family the opportunity for continued tenant-based assistance if the family had received at least one year of PBV assistance prior to moving.

15.1.3 Turnover cap. [24 CFR § 983.262]

15.1.3.1	RHA is not subject to a turnover cap as a result of exceeding 20% of Annual Budget Authority in PBV assignment.

15.1.4 Emergency transfers under VAWA. [Notice PIH 2017-08]

15.1.4.1 A participant of the program may request an emergency transfer if the participant has been a victim of domestic violence, dating violence, sexual assault or stalking as provided for in the Violence Against Women Act (VAWA) and if the participant believes that there is a threat of further imminent harm if they remain in the same unit. A

participant may also be eligible if they have been a victim of sexual assault that occurred on the premises within 90 days preceding the emergency transfer request. These eligibilities apply regardless of whether the participant is in good standing.

15.1.5 Transfer for mobility program participants.

15.1.5.1 Transfers are specifically limited to changes in household composition which warrant a change in unit size.

15.1.5.2 Transfers from Mobility units will be approved only if RHA has another Mobility unit of the appropriate size available.

CHAPTER 16: ABSENCE FROM THE UNIT

These policy guidelines address situations when the household is absent from the unit but has not moved out of the unit. In cases where the household has moved out of the unit, RHA will terminate assistance in accordance with appropriate termination procedures contained in this plan. [24 CFR §§ 982.312, 982.551]

16.1 GENERAL RULES REGARDING ABSENCE FROM THE UNIT

Absence means that no household member is residing in the unit. RHA will terminate assistance if the entire household is absent from the unit for a period of more than 90 consecutive calendar days.

16.1.1 If all members of a family are going to be absent from a subsidized unit on a temporary basis for more than 30 days, the family must notify RHA in writing prior to the first day of the absence. RHA will approve absence from the unit on a case-by-case basis, including whether or when the family may be absent and for how long.

16.1.2 Failure of a household to obtain approval prior to a temporary absence may result in termination of housing assistance. Termination of assistance will occur if the household is absent from the unit for longer than the maximum permitted absence.

16.1.3 Any member of the household will be considered permanently absent if they are away from the unit for 90 days, except as otherwise provided in this policy. It is the head of household's responsibility to report changes in household composition.

16.1.3.1 A person with a disability may request an extension of time as reasonable accommodation.

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

16.1.4 In order to determine if the household is absent from the unit, RHA may:

16.1.4.1 Write letters to the household at the unit.

16.1.4.2 Telephone the household at the unit.

16.1.4.3 Interview neighbors.

16.1.4.4 Verify utilities in service.

16.1.4.5 Check with the post office.

16.2 ABSENCE DUE TO MEDICAL REASONS

If any household member leaves the household to enter a facility such as hospital, nursing

home, or rehabilitation center, RHA will seek advice from a reliable qualified source as to the likelihood and timing of their return.

16.2.1 If the verification indicates that the household member will be permanently confined to a nursing home, the household member *will be considered permanently absent*.

16.2.2 If the verification indicates that the household member will return in less than 90 consecutive days, the household member *will not be considered permanently absent*.

16.3 ABSENCE DUE TO FULL-TIME STUDENT STATUS

Full-time students who attend school away from the home and live with the household during school recess will be considered permanently absent from the household.

16.4 ABSENCE DUE TO INCARCERATION

If any member of the household is incarcerated for more than 90 days, they will be considered permanently absent.

16.4.1 RHA will determine if the reason for incarceration is for drug-related or violent criminal activity and may result in termination in accordance with Chapter 17.

16.5 ABSENCE OF CHILDREN DUE TO PLACEMENT IN FOSTER CARE

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

16.5.1 RHA will review the household composition and status of the child/ren returning to the household 90 days. If the time is to be greater than 90 days from the date of removal of the child/ren, the household composition size will be reduced, and the family may have to move out of the PBV unit.

16.5.2 If all children are removed from the home permanently, the family size will be reduced in accordance with RHA's subsidy standards. RHA has the discretion not to reduce the family size in cases where a re-unification plan including a re-unification date has been executed and a copy provided to RHA.

16.6 CARETAKER FOR CHILDREN

16.6.1 If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, RHA will treat that adult as a visitor for the first 30 days.

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

a. If the appropriate agency cannot confirm the guardianship status of the caretaker, RHA will review the status at 30-day intervals.

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

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

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

CHAPTER 17: DENIAL OR TERMINATION OF ASSISTANCE, OCCUPANCY OR CONTRACT

Voucher assistance can be terminated by either the tenant or RHA depending upon the individual circumstances. [24 CFR §§ 5.902; 5.903; 5.905; 982.551; 982.552; 982.553]

17.1 TERMINATION OF ASSISTANCE BY TENANT

If a tenant decides to voluntarily relinquish their voucher, their assistance will be terminated. It is the responsibility of the tenant to provide both RHA and the owner/manager a 30-day written notice of their intent to voluntarily terminate their assistance.

17.2 DENIAL OR TERMINATION OF ASSISTANCE BY RHA

RHA may deny or terminate assistance for a household because of the household's actions or failure to act. RHA will provide households with a written description of the household obligations under the program, the grounds under which RHA can deny or terminate assistance, and RHA's informal hearing procedures. This section describes when RHA is required to deny or terminate assistance, and RHA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract. If RHA determines termination action is appropriate, both the tenant and the owner/manager will be notified at least 30 days in advance in accordance with the HAP contract. [24 CFR § 982.552]

17.2.1 Denial of assistance for an applicant may include any or all of the following:

17.2.1.1 Denial for placement on RHA wait list.

17.2.1.2 Denying or withdrawing a voucher.

17.2.1.3 Refusing to approve a tenancy.

17.2.1.4 Refusing to process or provide assistance under portability procedures.

17.2.2 Termination of assistance for a participant may include any or all of the following:

17.2.2.1 Refusing to approve a tenancy.

17.2.2.2 Terminating housing assistance payments under the HAP contract.

17.2.2.3 Refusing to process or provide assistance under portability procedures.

17.2.3 Mandatory denial and termination reasons are as follows:

17.2.3.1	RHA must terminate assistance for participants if the household is under contract and 365 days have elapsed since RHA's last HAP was paid to the owner/manager.

17.2.3.2 Any persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.

17.2.3.3 If RHA determines that any household member is currently engaging in illegal use of a drug (see Section 17.2.6).

17.2.3.4 If RHA has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents (see Section 17.2.6).

17.2.3.5 If RHA determines that any member of the household is subject to a lifetime registration requirement under a state sex offender registration program (see Section 17.2.6.4).

17.2.3.6 Any household member evicted from housing assistance under the program for serious violation of the lease.

a. A family will be considered evicted if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

17.2.3.7 RHA must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status.

17.2.4 Authority to deny admission or terminate assistance. RHA may deny program assistance for an applicant or terminate program assistance for a participant, for any of the following reasons:

17.2.4.1 If any household member has violated the household obligation not to engage in any drug-related criminal activity.

17.2.4.2 If a household member has violated the household obligation not to engage in any violent criminal activity.

17.2.4.3 If any member of the household has been evicted from federally assisted housing in the last three (3) years.

17.2.4.4 If any PHA has ever terminated assistance under the program for any member of the household.

17.2.4.5 If any member of the household commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

17.2.4.6 The household currently owes rent or other amounts to RHA or to another PHA in connection with voucher or Public Housing assistance

under the 1937 Act.

17.2.4.7 The household has not reimbursed any PHA for amounts paid to an owner under a HAP Contract for rent, damages to the unit, or other amounts owed by the household under the lease.

17.2.4.8 The household breaches an agreement with a PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA.

a. RHA at its discretion may offer the household the opportunity to enter into a repayment agreement. RHA will prescribe the terms of the agreement.

17.2.4.9 The household has engaged in or threatened abuse or violent behavior toward RHA personnel.

a. "Abusive or violent behavior toward RHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

b. "Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.

c. Actual physical abuse or violence will always be cause for termination.

17.2.4.10 If any member of the household engages in or has engaged in drug or alcohol abuse that interferes with the health, safety or peaceful enjoyment of other residents.

17.2.4.11 RHA may deny admission to the program for an applicant or terminate program assistance for a participant if any member of the household fails to sign and submit or revokes previously signed consent forms for obtaining information in accordance with 24 CFR Part 5, Subparts B and F.

17.2.5 Consideration of circumstances. In deciding whether to deny or terminate assistance because of action or failure to act by members of the household, RHA has discretion to consider all of the circumstances in each case, including the seriousness of the case and issues of domestic violence, dating violence, sexual assault and stalking.

17.2.5.1 RHA will use its discretion in reviewing the extent of participation or culpability of individual household members and the length of time since the violation occurred. RHA may also review the household's

more recent history and record of compliance, and the effects that denial of assistance may have on other household members who were not involved in the action or failure to act.

17.2.5.2 RHA may impose, as a condition of continued assistance for other household members, a requirement that household members who participated in, or were culpable for the action or failure to act, will not reside in the unit. RHA may permit the other members of a household to continue in the program.

17.2.5.3 If denial or termination is based upon behavior resulting from a disability, RHA may delay the denial or termination if a request is made, in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

17.2.6 Screening and termination for drug abuse and other criminal activity.

17.2.6.1 See Appendix 1 for definitions related to terms under this section.

17.2.6.2 *Standard for Violation*.

a. Where RHA determines there is reasonable cause to believe that a household member is illegally using a drug or if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where RHA determines there is a pattern of illegal use of a drug or a pattern of alcohol abuse.

b. RHA will consider the use of a controlled substance or alcohol to be a pattern if there is more than one incident during the previous twelve (12) months.

c. The violent or drug-related activity is being engaged in by any household member.

d. “Engaged in or engaging in” violent criminal activity means any act within the past three years by an applicant or participant or household member which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage

e. The existence of the above-referenced behavior by any household member, regardless of the applicant or participant’s knowledge of the behavior, shall be grounds for denial or termination of assistance.

f. In evaluating evidence of negative past behavior, RHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

17.2.6.3 *Screening of applicants*. In an effort to prevent future drug related and other criminal activity, as well as other patterns of behavior that pose a threat to the health, safety or right to peaceful enjoyment of the premises by other residents, and as required by 24 CFR 982, Subpart L and 24 CFR Part 5, Subpart J, RHA will endeavor to screen applicants as thoroughly and fairly as possible for drug-related and violent criminal behavior. Such screening will apply to any member of the household who is 18 years of age or older.

a. Persons evicted from federally assisted housing because of drug-related criminal activity are ineligible for admission to the voucher program for a three-year period beginning on the date of such eviction.

b. However, the household may be admitted if, after considering the individual circumstances of the household, RHA determines that:

- The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by RHA.

- The circumstances leading to eviction no longer exist because the criminal household member has died or is imprisoned.

c. Applicants will be denied assistance if they have been evicted from federally assisted housing for violent criminal activity within the last three years prior to the date of the certification interview.

17.2.6.4 *Denial of assistance for sex offenders*. RHA will deny admission if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. In screening applicants, RHA will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement.

17.2.6.5 *Termination of assistance for participants.*

a. Under the household obligations, the members of the household must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. HUD regulations require RHA to establish standards for termination of assistance when this household obligation is violated. RHA has established the following standards for termination of assistance for the household when a household member has violated the household obligation to refrain from participating in drug-related or violent criminal activity:

- Assistance will be terminated for participants who have been evicted from a unit assisted under any federally assisted housing program for drug-related or violent criminal activity during participation in the program, and within the last three years prior to the date of the notice to terminate assistance.

- If any member of the household violates the household obligations by engaging in drug-related or violent criminal activity, RHA will terminate assistance. Exceptions may be made in cases of violent criminal activity that involves domestic violence, dating violence, sexual assault and/or stalking as provided for in the VAWA.

- In appropriate cases, RHA may permit the household to continue receiving assistance provided that the household members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, RHA may consider individual circumstances with the advice of Juvenile Court officials.

- RHA will waive the requirement regarding drug-related criminal activity if the person demonstrates successful completion of a credible rehabilitation program approved by RHA, or the circumstances leading to the violation no longer exist because the person who engaged in drug-related criminal activity or violent criminal activity is no longer in the household due to death or incarceration.

b. Termination of assistance for alcohol abuse by household members. Under the household obligations, the members of

the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. Assistance will be terminated due to violation of a household obligation if RHA determines that a member of the household has demonstrated a pattern of alcohol abuse that threatens the health, safety or right to peaceful enjoyment of other residents residing in the immediate vicinity of the premises.

c. In appropriate cases, RHA may permit the household to continue receiving assistance provided that household members determined to have engaged in the proscribed activities will not reside in the unit. If the violating member is a minor, RHA may consider individual circumstances with the advice of Juvenile Court officials.

17.2.7 Notice of termination of assistance. Where RHA decides to terminate assistance to the household, RHA must give the household written notice which states:

17.2.7.1 The reason(s) for the proposed termination.

17.2.7.2 The effective date of the proposed termination.

17.2.7.3 The household's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.

17.2.7.4 The date by which a request for an Informal Hearing must be received by RHA.

a. If RHA proposes to terminate assistance for criminal activity as shown by a criminal record, RHA will provide the subject of the record and the tenant with a copy of the criminal record.

b. RHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the termination of assistance. The notice to the owner will not include any details regarding the reason for termination of assistance.

17.2.8 Required evidence.

17.2.8.1 Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of

witnesses, but by the greater weight of all evidence.

17.2.8.2 RHA will terminate assistance for criminal activity by a household member, as described in this chapter, if RHA determines that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.

17.2.8.3 RHA will pursue fact-finding efforts as needed to obtain credible evidence. Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

17.2.8.4 *Confidentiality of criminal records*. RHA will ensure that any criminal record received is maintained confidentially, not misused or improperly disseminated, and destroyed once the purpose for which it was requested is accomplished.

17.2.9 Household obligations. The household must abide by the following obligations:

17.2.9.1 The household must supply any information that RHA or HUD determine is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. “Information” includes any requested certification, release or other documentation.

17.2.9.2 The household must supply any information requested by RHA or HUD for use in a regularly scheduled recertification or interim recertification of household income and composition in accordance with HUD requirements.

17.2.9.3 The household must disclose and verify Social Security numbers (as provided by 24 CFR § 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR § 5.230.

17.2.9.4 All information supplied by the household must be true and complete.

17.2.9.5 The household is responsible for an NSPIRE breach caused by the household as described in 24 CFR § 982.404.

17.2.9.6 The household must allow RHA to inspect the unit at reasonable times and after reasonable notice.

17.2.9.7 The household may not commit any serious or repeated violations of the lease.

17.2.9.8 The household must notify the owner and, at the same time, notify

RHA before the household moves out of the unit or terminates the lease upon notice to the owner.

17.2.9.9 The household must promptly give RHA a copy of any owner eviction notice.

17.2.9.10 The household must use the assisted unit for residence by the household. The unit must be the household's only residence.

17.2.9.11 The composition of the assisted household residing in the unit must be approved by RHA. The household must promptly inform RHA of the birth, adoption or court-awarded custody of a child. The household must request RHA to add any other household member as an occupant of the unit.

17.2.9.12 The household must promptly notify RHA if any household member no longer resides in the unit.

17.2.9.13 If RHA has given approval, a foster child or a live-in aide may reside in the unit. If the household does not request approval or RHA approval is denied, the household may not allow a foster child or live-in aide to reside with the assisted household.

17.2.9.14 Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the household and are in concurrence with the lease.

17.2.9.15 The household must not sublease or let the unit.

17.2.9.16 The household must not assign the lease or transfer the unit.

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

17.2.9.18 The household must not own or have any interest in the unit.

17.2.9.19 The members of the household must not commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

17.2.9.20 The household members may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other

residents and persons residing in the immediate vicinity of the premises. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. An assisted household, or members of the household, may not receive PBV assistance or other tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, state or local housing assistance programs.

17.2.10 Enforcing household obligations.

17.2.10.1 *Explanations and terms*. The term "promptly" when used with the household obligations always means "within 10 days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

17.2.10.2 *NSPIRE breach*. The inspector will determine if an NSPIRE breach as identified in 24 CFR § 982.404 is the responsibility of the household. Households may be given extensions to cure NSPIRE breaches. The housing inspector may give an extension of up to 30 days. Any extensions of more than 30 days must be approved by the Director of Rental Assistance or his/her designee.

17.2.10.3 *Lease violations.* The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

a. If the owner terminates tenancy through court action for serious or repeated violation of the lease.

b. If the owner notifies the household of termination of tenancy assistance for serious or repeated lease violations, and the household moves from the unit prior to the completion of court action, and RHA determines that the cause is a serious or repeated violation of the lease based on available evidence.

c. If the owner notifies the household of termination of tenancy assistance for serious or repeated lease violations, and the household moves from the unit prior to the completion or court action, and if there are police reports, neighborhood complaints or other third-party information that has been verified by RHA.

17.2.10.4 *Proposed additions to the household*. RHA will deny a household's request to add additional household members who are:

a. Persons who have been evicted from Public Housing or other RHA programs.

b. Persons who have previously violated a household obligation.

c. Persons who have been part of a household whose assistance has been terminated under the voucher program.

d. Persons who commit drug-related criminal activity or violent criminal activity.

e. Persons who do not meet RHA's definition of family.

f. Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.

g. Persons who currently owe rent or other amounts to RHA or to another PHA in connection with Rental Assistance or Public Housing assistance under the 1937 Act.

h. Persons who have engaged in or threatened abusive or violent behavior toward RHA personnel.

17.2.10.5 *Household member moves outs*. Households are required to notify RHA if any household member leaves the assisted household. When the household notifies RHA, they must furnish the following information:

a. The date the household member moved out.

b. The new address, if known, of the household member.

c. A statement as to whether the household member is temporarily or permanently absent.

17.2.10.6 *Limitation on profit-making activity in unit*.

a. If the business activity area results in the inability of a household member to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it will be considered a violation.

b. If RHA determines that the use of the unit as a business is not incidental to its use as a unit, it will be considered a program violation.

c. If RHA determines the business is not legal, it will be considered a program violation.

17.2.10.7 *Interest in unit*. The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted household, unless the household owns the mobile home and rents the pad.

17.2.10.8 *Fraud*. In each case, RHA will consider which household members were involved, the circumstances, and any hardship that might be caused to innocent members.

17.2.11 Procedures for non-citizens [24 CFR §§ 5.514, 5.516, 5.518].

17.2.11.1 *Denial or termination due to ineligible immigrant status*. Applicant or participant households in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. RHA must offer the household an opportunity for a hearing. Assistance may not be terminated while verification of the participant household's eligible immigration status is pending, see Chapter 3.

17.2.11.2 *False or incomplete information*. RHA will deny or terminate assistance based on the submission of false information or misrepresentation.

17.2.11.3 *Procedure for denial or termination*. If the household (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the household may make an appeal to the INS and request a hearing with RHA either after the INS appeal or in lieu of the INS appeal. After RHA has made determination of ineligibility, the household will be notified of the determination, as well as the reasons and informed of the option for prorated assistance (if applicable).

17.2.12 Option not to terminate for misrepresentation. If the household has misrepresented any facts that caused RHA to overpay assistance, RHA may choose not to terminate and may offer to continue assistance provided that the household executes a repayment agreement and makes payments in accordance with the agreement or reimburses RHA in full within 90 calendar days.

17.2.13 Misrepresentation in collusion with owner. If the household intentionally, willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, RHA will deny or terminate assistance.

17.2.14 Missed appointments and deadlines. It is a household obligation to supply information, documentation, and certification as needed for RHA to fulfill its responsibilities, as needed. RHA schedules appointments and sets deadlines to obtain the required information. The obligations also require that the household allow RHA to inspect the unit, and appointments are made for this purpose.

17.2.14.1 Participants who fail to keep an appointment, or to supply information required by a deadline without notifying RHA, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow RHA to inspect the unit.

17.2.14.2 The household will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan.

17.2.14.3 Acceptable reasons for missing appointments or failing to provide information by deadlines are:

a. Medical emergency.

b. Incarceration.

c. Household emergency.

17.3 TERMINATION OF OCCUPANCY

Voucher program participants may only have their occupancy terminated by mutual rescission or by owner/managers instituting a court action. The owner/manager must notify RHA in writing of the commencement of the procedures for termination of tenancy at the same time the owner/manager gives notice to the tenant under state and local law. The notice to terminate tenancy must show reasons in accordance with the lease and contract and be consistent with the fair housing and equal opportunities as stated in 24 CFR § 5.105. In terminating occupancy, owners/managers must ensure that they are in compliance with VAWA, if applicable.

17.3.1 The owner must provide the tenant with a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

17.3.2 The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under Nevada law to commence an eviction action.

17.3.3 During the term of the lease the owner may only evict for:

17.3.3.1 Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violations of the terms and conditions of the lease.

17.3.3.2 Violations of federal, state or local law that impose obligations on the tenant in connection with the occupancy or use of the premises; or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the

premises or any drug-related criminal activity on or near the premises.

17.3.3.3 *Other good cause*. During the initial term of the lease, the owner may not terminate the tenancy for "other good cause" unless the owner is terminating the tenancy because of something the household did or failed to do. [24 CFR § 982.310]

17.3.4 RHA requires that the owner specify the section of the lease that has been violated and cite some or all the ways in which the tenant has violated that section as documentation for RHA's decision regarding termination of assistance.

17.3.5 HAP is paid to the owner under the terms of the HAP contract. If the owner has begun eviction and the household continues to reside in the unit, RHA must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

17.3.6 RHA must continue paying HAP to the owner in accordance with the contract if the tenant continues to occupy the unit and the contract is not violated. By endorsing monthly checks from RHA, the owner certifies that the tenant is still in the unit, the rent is reasonable, and they are in compliance with the contract.

17.3.7 If an eviction is not due to a serious or repeated violation of the lease, and if RHA has no other grounds for termination of assistance, RHA may issue a new voucher so that the household can move with continued assistance.

CHAPTER 18: OWNER OR HOUSEHOLD DEBTS TO RHA

This chapter describes RHA's policies for the recovery of monies which have been overpaid for households and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is RHA's policy to meet the informational needs of owners and households, and to communicate the program rules in order to avoid owner and household debts. When households or owners owe money to RHA, RHA will make every effort to collect it. RHA will use a variety of collection tools to recover debts including, but not limited to, request for lump sum payments, payment agreements, abatements, reduction in HAP to owner, and collection agencies. [24 CFR § 982.552]

18.1 HOUSEHOLD DEBTS TO RHA

18.1.1 Debts owed for claims. If a household owes money to RHA for claims paid to an owner, RHA will require the household to pay the amount in full or enter into a repayment agreement.

18.1.2 Household error/late reporting. Households who owe money to RHA due to the household's failure to report changes in income, regardless of when the misreporting occurred, will be required to repay in accordance with the repayment agreement procedures, incorporated herein by reference.

18.1.3 Program fraud. Households who owe money to RHA due to program fraud will be required to pay in accordance with the payment agreement procedures for program fraud incorporated herein by reference. HUD's definition of program fraud and abuse is a single act or pattern of actions that: constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of rental assistance funds in violation of rental assistance requirements.

18.2 REPAYMENT AGREEMENTS

A repayment agreement is a legal and binding agreement entered into between RHA and a current or prior voucher program participant who owes a debt to RHA for overpayment of HAP.

18.2.1 The maximum length of time RHA will enter into a repayment agreement with a household is 12 months, unless otherwise approved by the Director of Rental Assistance, Executive Director or their designee.

18.2.2 A down payment of $50 or 10% of the initial total debt, whichever is greater, is expected at the time of execution of the repayment agreement, unless otherwise approved by the Director of Rental Assistance, Executive Director or their designee.

18.2.3 The minimum monthly payment for any repayment agreement is $25. Monthly payments will be determined by dividing the remaining balance after receipt of the down payment by the number of months of the agreement. The only exception will be in cases in which the total monthly payment exceeds 40% of

adjusted gross income.

18.2.4 Late payments. Payment will be considered in arrears if the payment is not received by the close of the business day on which the payment is due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

18.2.4.1 If the household's payment agreement is in arrears and the household has not contacted or made arrangements with RHA, RHA will require the household to pay the balance in full or terminate the housing assistance. The repayment agreement must be paid in full by the date specified in the agreement.

18.2.5 If the household requests a transfer to another unit and has a repayment agreement in place and the payment agreement is not in arrears, the family will be permitted to move with prior approval of the Director of Rental Assistance.

18.2.6 There are some circumstances under which RHA will not enter into a repayment agreement:

18.2.6.1 If the household already has a repayment agreement in place.

18.2.6.2 If RHA determines that the household has committed program fraud.

18.2.7 Guidelines for repayment agreements.

18.2.7.1 Repayment agreements may be executed between RHA and the head of household, co-head and/or spouse.

18.2.7.2 Monthly payments may be decreased in cases of hardship if approved by the Director of Rental Assistance. Households must submit a request and provide verification of the hardship. If approved, the decrease will not be lower than the minimum payment allowed as defined in Section 18.2.3.

18.2.8 Additional monies owed. If the household has a repayment agreement in place and incurs an additional debt to RHA, RHA will not enter into more than one payment agreement at a time with the same household, unless approved by the Director of Rental Assistance.

18.3 OWNER DEBTS TO RHA

[24 CFR § 982.453(b)]

18.3.1 If RHA determines that the owner has retained housing assistance or claim payments the owner is not entitled to, RHA may reclaim the amounts from future housing assistance or claim payments owed the owner for any units under contract.

18.3.1.1 If future housing assistance or claim payments are insufficient to reclaim the amounts owed, RHA will require the owner to pay the amount in full within 60 days.

18.3.2 If a landlord has been overpaid because of fraud, misrepresentation, or violation of the HAP contract, RHA may terminate the contract and arrange for restitution to RHA and/or household as appropriate.

18.4 WRITING OFF DEBTS

18.4.1 Debts will be written off by RHA if:

18.4.1.1 The debtor's whereabouts are unknown, and the debt is more than six months old.

18.4.1.2 The debtor is deceased.

18.4.1.3 The debtor is confined to an institution indefinitely.

CHAPTER 19: COMPLAINTS AND APPEALS

RHA will operate all voucher programs in accordance with federal, state and local laws and regulations and RHA policies. If a tenant believes these laws, regulations or policies have been violated they may make a complaint. RHA will respond promptly to complaints from households, owners, employees and members of the public. RHA may require that complaints, other than inspection violations, are put in writing. RHA will investigate all complaints and, if appropriate, respond to the complaints in writing.

The informal file review and hearing requirements defined in HUD regulations are applicable to participating families who disagree with an action, decision, or inaction of RHA. RHA hearing procedures are provided to households in the briefing packet. This chapter describes the policies to be used when households disagree with an RHA decision. It is the policy of RHA to ensure that all households have the benefit of all protections due to them under the law. [24 CFR §§ 982.554, 982.555]

19.1 CATEGORIES OF COMPLAINTS

19.1.1 Complaints from households. If a household disagree with an action or inaction of RHA or owner, they may file a complaint. Complaints from households will be referred to the Rental Assistance Administrator or designated staff. If a complaint is not resolved, it will be referred to the Director of Rental Assistance.

19.1.2 Complaints from owners. If an owner disagrees with an action or inaction of RHA or a household, they may file a complaint. Complaints from owners will be referred to the Rental Assistance Administrator or designated staff. If a complaint is not resolved, it will be referred to the Director of Rental Assistance.

19.1.3 Complaints from staff. If a staff person reports an owner or household either violating or not complying with program rules, the complaint will be referred to the Rental Assistance Administrator or designated staff. If a complaint is not resolved, it will be referred to the Director of Rental Assistance.

19.1.4 Complaints from the general public. Complaints or referrals from persons in the community about RHA, a household or an owner will be referred to the Rental Assistance Administrator or designated staff. If a complaint is not resolved, it will be referred to the Director of Rental Assistance.

19.1.5 Anonymous complaints will be investigated whenever possible by appropriate RHA staff.

19.2 INFORMAL FILE REVIEW PROCEDURE

Informal file reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. Informal file reviews are also utilized with participants facing termination of housing assistance as an attempt to resolve a situation before it reaches the hearing stage. The exception is that when an applicant is denied assistance for citizenship or eligible immigration status, the applicant is entitled to a hearing (see Section 19.4).

19.2.1 Informal file reviews are not required for established policies and procedures and RHA determinations such as:

19.2.1.1 Discretionary administrative determinations by RHA.

19.2.1.2 General policy issues or class grievances.

19.2.1.3 Refusal to extend or suspend a voucher.

19.2.1.4 An RHA determination not to grant approval of the tenancy.

19.2.1.5 Determination that the unit is not in compliance with HUD's inspection standards.

19.2.1.6 Determination that unit is not in accordance with HUD's inspection standards due to household size or composition.

19.2.2 Procedures for applicants.

19.2.2.1 RHA must provide applicants with the opportunity for an informal file review of decisions denying:

a. Listing on RHA's wait list.

b. Issuance of a voucher.

c. Participation in the program.

d. Assistance under portability procedures.

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

a. The reason(s) they are ineligible.

b. The procedure for requesting a review if the applicant does not agree with the decision.

c. The time limit for requesting a review.

19.2.2.3 When denying admission for criminal activity as shown by a criminal record, RHA will provide the subject of the record and the applicant with an opportunity to view the criminal record upon which the decision to deny was based.

19.2.3 Procedures for participants.

19.2.3.1 When RHA makes a decision regarding the continued eligibility and/or

the amount of assistance, participants must be notified in writing. RHA will give the household prompt notice of such determinations which will include:

a. The proposed action or decision of RHA.

b. The date the proposed action or decision will take place.

c. The household's right to an explanation of the basis for RHA's decision.

d. The procedures for requesting a hearing if the household disputes the action or decision.

e. The time limit of 14 days for requesting the hearing.

19.2.3.2 In the case of termination of assistance, a file review will be automatically scheduled, and the date and time will be included in the termination letter.

19.2.4 Procedure for review. It is RHA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. Therefore, RHA will utilize the informal file review as a part of the informal hearing procedure. If this is not possible, RHA will ensure that applicants and participants will receive the protections and rights afforded by the law and regulations. RHA's hearing procedures are hereby incorporated by reference.

19.2.4.1 In cases other than the termination of assistance, a request for an informal file review must be received in writing by the close of the business day, no later than 14 days from the date of RHA's notification of the proposed action or change. The informal file review will be scheduled within ten days from the date the request is received.

19.2.4.2 The informal file review will be conducted by the Admissions Manager, the Rental Assistance Administrator, or designated staff either in-person, over the phone or by utilizing other forms of technology allowing two-way communication. Households with members with disabilities will be accommodated, based on need and with proper documentation, with respect to the manner in which informal file reviews are conducted.

19.2.4.3 RHA staff will notify the client in writing of the date and time of the informal file review.

19.2.4.4 Households may request one reschedule prior to the date and time of the informal file review.

19.2.4.5 A household may be up to fifteen (15) minutes late for their scheduled informal file review and still have the review conducted. Households more than fifteen (15) minutes late will be considered to have missed their appointment.

a. In cases of a missed informal file review, households may request one reschedule within 14 days and show "good cause" as to the reason why the initial appointment was missed.

b. If a household misses two scheduled informal file reviews, the termination may be forwarded to an informal hearing.

c. If a household misses two requested informal file reviews (requested for reasons not related to termination of assistance), RHA may not reschedule a third informal file review unless good cause for missing the prior two requested informal file reviews is provided.

19.2.4.6 All documentation pertaining to the informal file review will be reviewed during the meeting.

19.2.4.7 In the case of termination, if the termination is not resolved at the informal file review, the participant will be scheduled for an informal hearing.

19.2.4.8 In cases other than termination of assistance, if the participant still disagrees with the decision made during the informal file review, the participant may request an informal hearing with the Director of Rental Assistance or designated staff.

19.2.4.9 All requests for an informal file review, supporting documentation, and a copy of the final decision will be retained in the household file.

19.2.5 When terminating assistance for criminal activity as shown by a criminal record, RHA will provide the subject of the record and the tenant/participant with an opportunity to view the criminal record upon which the decision to terminate was based. Per NRS 179A.110, RHA cannot provide a copy of the criminal record.

19.3 INFORMAL HEARING PROCEDURES

[24 CFR §§ 982.555(a-f)]

19.3.1 RHA must provide participants with the opportunity for an informal hearing for decisions related to any of the following RHA determinations:

19.3.1.1 Determination of the household's annual or adjusted income and the computation of the housing assistance payment.

19.3.1.2 Appropriate utility allowance used from schedule.

19.3.1.3 Household unit size determination under RHA subsidy standards.

19.3.1.4 Determination to terminate assistance for any reason.

19.3.1.5 Determination to terminate a household's IMPACT contract, withhold supportive services, or propose forfeiture of the household's escrow account.

19.3.2 RHA must always provide the opportunity for an informal hearing before termination of assistance. The hearing will be scheduled by RHA within 10 days from the date the request for a hearing is received.

19.3.3 Informal hearings are not required for established policies and procedures and RHA determination such as:

19.3.3.1 Discretionary administrative determinations by RHA.

19.3.3.2 General policy issues or class grievances.

19.3.3.3 Establishment of RHA schedule of utility allowances for households in the program.

19.3.3.4 Determination not to approve an extension or suspension of a voucher term.

19.3.3.5 Determination not to approve a unit or lease.

19.3.3.6 Determination that an assisted unit is not in compliance with HUD's inspection standards (RHA must provide a hearing for household breach of NSPIRE because that is a household obligation determination).

19.3.3.7 Determination that the unit is not in accordance with HUD's inspection standards because of the household size.

19.3.3.8 Determination to exercise or not exercise any right or remedy against the owner under a HAP contract.

a. The hearing is not intended to provide a forum for initiating or negotiating policy changes between a group or groups of tenants and RHA Board of Commissioners.

19.3.4 The informal hearing will be conducted by RHA staff in the presence of RHA's Hearing Officer, either in-person or remotely utilizing technology allowing for two-way audio and visual communication. Households with members with disabilities will be accommodated, based on need and with proper

documentation, with respect to the manner in which informal hearings are conducted.

19.3.5 After a hearing is scheduled, the household may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the household.

19.3.6 If a household does not appear within 15 minutes of their scheduled hearing and has not rescheduled the hearing in advance, the household must contact RHA within 24 hours, excluding weekends and holidays. RHA will reschedule the hearing only if the household can show good cause for the failure to appear.

19.3.7 If the household requests copies of documents relevant to the hearing, RHA will make the copies for the household and assess a charge of $.25 per copy. In no case will the household be allowed to remove the file from RHA's office.

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

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

19.3.9 RHA will take detailed notes of the proceedings which includes a recording of the hearing. The recording of the Informal Hearing will be held for 60 days from the date the household is notified of the results of the Informal Hearing.

19.3.10 A notice of the findings will be sent in writing to the participant within 10 days after the informal hearing. It shall include the decision of the Hearing Officer and an explanation of the reason for the decision.

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

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

19.4 HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS"

[24 CFR Part 5, Subpart E]

19.4.1 Assistance to the household may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the

INS appeal.

19.4.2 Assistance to a household cannot be terminated or denied while RHA hearing is pending, but assistance to an applicant may be delayed pending RHA hearing.

19.4.3 INS determination of ineligibility. If a household member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, RHA will notify the applicant or participant within 10 days of their right to appeal to the INS within 30 days or request an informal hearing with RHA either in lieu of or subsequent to the INS appeal.

19.4.3.1 If the household appeals to the INS, they must give RHA a copy of the appeal and proof of mailing or RHA may proceed to terminate or deny. The time period to request an appeal may be extended by RHA for good cause.

19.4.3.2 The request for an RHA hearing must be made within 14 days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within 14 days of receipt of that notice.

19.4.3.3 After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the Hearing Officer decides that the individual is not eligible, and there are no other eligible household members RHA will:

a. Deny the applicant household.

b. Defer termination if the household is a participant and qualifies for deferral.

c. Terminate the participant if the household does not qualify for deferral.

19.4.3.4 If there are eligible members in the household, RHA will offer to prorate assistance or give the household the option to remove the ineligible members.

19.4.3.5 All other complaints related to eligible citizen/immigrant status:

a. If any household member fails to provide documentation or certification as required by regulation, that member is treated as ineligible. If all household members fail to provide, the household will be denied or terminated for failure to provide.

b. Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.

c. Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.

d. Households denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

19.5 MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES

[24 CFR § 982.552(c)]

19.5.1 When applicants are denied placement on the waiting list, or RHA is terminating assistance, the household will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

CHAPTER 20: PROGRAM RECEIPTS AND ADMINISTRATIVE FEE RESERVES

20.1 PROGRAM RECEIPTS

RHA shall use program receipts to provide decent, safe and sanitary housing for eligible households in compliance with all HUD requirements. Program receipts may only be used to pay program expenditures.

20.2 PROGRAM EXPENDITURES

RHA shall not make any program expenditures except in accordance with the annual contribution estimate and supporting data for such estimate as approved by HUD.

20.3 ADMINISTRATIVE FEE RESERVE

RHA shall maintain an administrative fee reserve (formerly "operating reserve') account that shall be credited with the amount by which the total of administrative fees earned, and interest earned on the operating reserve exceed RHA administrative expenses during a fiscal year. [24 CFR § 982.155]

20.4 USE OF ADMINISTRATIVE FEE RESERVES

20.4.1 Required use for program administration. The administrative fee reserve (formerly "operating reserve") must be used to pay Rental Assistance administrative expenses that exceed program receipts in a subsequent fiscal year. RHA must ensure that projected administrative fees and the administrative fee reserve will cover all projected costs of efficient and effective program administration through remaining ACC terms, based on the ACC(s) in effect at that time.

20.4.2 Permitted use for other housing purposes. Administrative fee reserve funds may be expended for other housing purposes consistent with RHA's authority under state and local law, provided that the amounts used for other housing purposes are not required for projected administrative expenses through remaining ACC terms. If RHA anticipates that on-going fees will not be sufficient for on-going administrative costs through its ACC terms, an appropriate amount must be retained in the operating reserve for projected administrative expenses.

20.4.3 Board of Commissioners approval for administrative fee reserve expenditures. The Board of Commissioners must approve the expenditure of any administrative fee reserves which may be made for other housing purposes. The Board, in approving such expenditures, must make an affirmative determination that any such expenditures are necessary and reasonable for other housing purposes consistent with RHA's authority under state and local law.

CHAPTER 21: IMPACT PROGRAM

HUD's Family Self-Sufficiency (FSS) program promotes the development of local strategies to coordinate the use of HUD assistance with public and private resources, to enable families eligible to receive HUD assistance to achieve economic independence and self-sufficiency.
[24 CFR § 984.101(a)(1)]

21.1 OBJECTIVE OF HUD'S FSS PROGRAM

The objective of HUD's FSS program is to reduce the dependency of low-income families on welfare assistance and housing subsidies. Through FSS, HUD assisted families are provided opportunities for education, job training, counseling, and other forms of social service assistance, while living in assisted housing, so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency.
[24 CFR § 984.102]

21.2 IMPACT OVERVIEW

RHA's FSS/Workforce Development (WFD) program, now known as IMPACT (Independence, Motivation, Pathways, and Career Transformation), is designed to assist families participating in RHA's voucher programs in achieving economic self-sufficiency by providing educational and employment support. Economic self-sufficiency is defined as having the skills, training, and education necessary to secure and sustain household income such that the family's basic needs are met with little to no use of financial assistance from public or private organizations.

21.2.1 The mission of IMPACT is to increase economic security among participants, strengthen family foundations with the intention of building generational wealth, and teach fundamental skills to promote independence.

21.2.2 RHA's IMPACT Action Plan is available for additional information.

21.3 OUTREACH TO VOUCHER PARTICIPANTS

Rental Assistance staff work in close coordination with applicable WFD staff to recruit eligible families and provide information on IMPACT at important junctures during a family's participation in assisted housing. During annual recertifications, Housing Specialists will discuss the program, its benefits, and make referrals for those families interested in applying.

21.3.1 The following outreach methods will also be used to encourage resident participation in IMPACT:

21.3.1.1 RHA will notify and recruit participants from eligible families through its newsletters, resident council meetings, flyers, other resident publications/notifications, RHA's primary website and/or social media sites, rental assistance briefings and referrals from RHA staff.

21.3.1.2 WFD Coordinators will periodically review a list of all families that have newly moved in or have recently lost income. Coordinators will directly contact these families to explain the program's benefits and encourage them to join.

CHAPTER 22: OWNER OUTREACH

RHA encourages owners of decent, safe and sanitary housing units to lease to voucher households, especially if the units are located outside areas of poverty or minority concentration.

22.1 LANDLORD INCENTIVE PROGRAM

RHA provides specific financial assurances to landlords who execute a lease with eligible tenant-based voucher holders through its Landlord Incentive Program (LIP). Although landlords leasing to HUD-VASH program participants are also eligible, these landlords will receive incentives through the HUD-VASH program, as long as funding exists.

22.1.1 Implemented landlord incentives.

22.1.1.1 *Payment beyond the move-out*.

a. Landlords may receive their contracted HAP amount through the end of the month as well as their contracted HAP amount for the following month, for units occupied by voucher participants vacating under the following conditions:

- Deceased tenant
- Evictions for cause
- Vacating unit without proper notice (skip)
- Violation of family obligations resulting in termination of housing assistance
- Damages to the unit that are proven to exceed the security deposit.

b. An additional payment, equivalent to the contracted HAP payment, may be requested by the landlord. Requests must be made in writing to the Director of Rental Assistance, no more than 30 calendar days from the date of the action, which resulted in the unit being vacated.

c. The landlord must provide an itemized written accounting of charges, such as a Security Deposit Settlement Statement, to RHA and the participant upon termination of the tenancy that demonstrates repairs to damages in the unit exceed the security deposit.

d. Landlords are only eligible for payment beyond the move-out date through the LIP utilizing one of the five conditions above. At no time will a landlord be allowed to claim more than one payment by using a combination of the five

conditions identified.

22.1.2 Landlord incentives to be implemented at a future date.

22.1.2.1 *Re-Lease Bonus*

a. Current landlords who sign a HAP Contract to lease the same unit to another HCV program participant will automatically receive a $500 re-lease bonus.

22.1.2.2 *Referral Bonus*

a. Current landlords who refer a new landlord to the HCV program will be eligible for an automatic $1,000 referral bonus.

b. To qualify for the referral bonus, the new landlord must be one who has never leased to one of RHA's HCV program participants before.

CHAPTER 23: PROGRAM INTEGRITY ADDENDUM

RHA is committed to maintaining program integrity in its tenant-based housing programs by ensuring that proper level of benefits are paid and resources reach only income-eligible households. As such, RHA will take all reasonable steps necessary to prevent fraud, waste, and mismanagement so program resources are utilized judiciously.

This chapter outlines RHA's policies for the prevention, detection, and investigation of program abuse and fraud.

23.1 CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

23.1.1 Under no circumstances will RHA undertake an inquiry or an audit of a participating household arbitrarily. RHA's expectation is that participating households will comply with HUD requirements, provisions of the voucher, and other program rules. RHA staff will make every effort (formally and informally) to orient and educate all households to avoid unintentional violations. However, RHA has a responsibility to HUD, the community, and eligible households in need of housing assistance to monitor participants for compliance with their lease obligations and, when indicators of possible abuse come to RHA's attention, investigate such claims.

23.1.2 RHA will initiate an investigation of a participating household only in the event of one or more of the following circumstances:

23.1.2.1 *Referrals, complaints, or tips*. RHA will follow up on referrals received from other agencies, companies, or persons alleging that a household is in noncompliance with or otherwise violating the lease or the program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable.

23.1.2.2 *Internal file review*. A follow-up will be made if RHA staff discovers (as a function of a [re]certification, an interim redetermination, or a quality control review) information or facts that conflict with previous file data, RHA's knowledge of the household, or statements made by the household.

23.1.2.3 *Verification or documentation*. A follow-up will be made if RHA receives independent verification or documentation that conflicts with representations in the household file (such as public record information or reports from credit bureaus or other agencies).

23.2 STEPS RHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

23.2.1 Briefing session. Mandatory orientation sessions will be conducted for all prospective program participants either prior to or upon issuance of a voucher. At

the conclusion of all briefing sessions, the household representative will be required to sign a program briefing certificate to confirm that all rules and pertinent regulations were explained to them.

23.3 STEPS RHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

RHA staff will maintain a high level of alertness to indicators of possible abuse and fraud by assisted households.

23.3.1 File reviews. Prior to initial certification and at the completion of all subsequent recertifications, each participant file will be reviewed. At a minimum, such reviews shall examine:

23.3.1.1 Changes in reported SSNs or dates of birth.

23.3.1.2 Authenticity of file documents.

23.3.2 Observation. RHA management and occupancy staff (to include inspection personnel) will maintain high awareness of circumstances that may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

23.3.3 Public record bulletins. These bulletins may be reviewed by management and staff.

23.3.4 State wage data record keepers. Inquiries to state wage and employment record-keeping agencies, as authorized under Public Law 100-628, the Stewart B. McKinley Homeless Assistance Amendments Act of 1988, may be made annually to detect unreported wages or unemployment compensation benefits.

23.3.5 Credit bureau inquiries. Credit bureau inquiries may be made (with proper authorization by the tenant) in the following circumstances:

23.3.5.1 When an allegation is received by RHA wherein unreported income sources are disclosed.

23.3.5.2 When a participant's expenditures exceed his/her reported income and no plausible explanation is given.

23.3.6 Enterprise Income Verification. RHA will use HUD's Enterprise Income Verification system to review information reported to national databases (Social Security Administration, state agencies, and employers) against information obtained from the client.

23.4 RHA'S HANDLING OF ALLEGATIONS OF POSSIBLE ABUSE AND FRAUD

23.4.1 All allegations, complaints, and tips will be carefully evaluated to determine whether they warrant follow-up.

23.4.2 File review. An internal file review will be conducted to determine whether the subject of the allegation is a client of RHA and, if so, whether the information reported has been previously disclosed by the household. RHA will then determine whether it is the most appropriate authority to do a follow-up (as compared to police or social services). Any documentation of past behavior as well as corroborating complaints will be evaluated.

23.4.3 Conclusion of preliminary review. If at the conclusion of the preliminary file review, there are facts contained in the allegation that conflict with file data and that are independently verifiable an investigation will be initiated to determine if the allegation is true or false.

23.5 HOW RHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD

23.5.1 If RHA determines that an allegation or referral warrants follow-up, either the staff person who is responsible for the file or a person designated by the Executive Director to monitor program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include the items listed below. In all cases, RHA will secure the written authorization from the program participant for the release of information.

23.5.1.1 *Credit bureau inquiries*. In cases involving previously unreported income sources, a Credit Bureau inquiry may be made to determine whether the financial activity of a household conflicts with the household's reported income.

23.5.1.2 *Employers and ex-employers*. Employers or ex-employers may be contacted to verify wages that may have been previously undisclosed or misreported.

23.5.1.3 *Neighbors/witnesses*. Neighbors and/or other witnesses who are believed to have direct or indirect knowledge of facts pertaining to RHA's review may be interviewed.

23.5.1.4 *Other agencies*. Investigators, caseworkers, or representatives of other benefit agencies may be contacted.

23.5.1.5 *Public records*. RHA will review any relevant public records kept in a jurisdictional courthouse. Examples of public records that may be checked are real estate records, marriage and divorce records, uniform commercial code financing statements, voter registration rolls, judgments, court or police records, state wage records, utility records, and postal records.

23.5.1.6 *Interviews with head of household or family members*. RHA will discuss the allegation (or details thereof) with the head of household or household members by scheduling appointments at the appropriate

RHA office.

23.6 PLACEMENT OF DOCUMENTS, EVIDENCE, AND STATEMENTS OBTAINED BY RHA

Documents and other evidence obtained by RHA during the course of an investigation will be considered "work product" and will be kept either in the participant's file or in a separate "work file." In either case, the participant file or work file will be kept in a locked file cabinet. Such cases under review will be discussed only among RHA staff that are involved in the process or have information that may assist in the investigation.

23.7 CONCLUSION OF RHA'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether the facts are conclusive and, if so, whether a violation has or has not occurred.

23.8 EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred, the PHA will review the facts to determine:

23.8.1 What type of violation has occurred (procedural noncompliance or fraud).

23.8.2 Whether the violation was intentional or unintentional.

23.8.3 What amount of money (if any) is owed by the household.

23.8.4 Whether the household is eligible for continued occupancy.

23.9 ACTION PROCEDURES FOR VIOLATIONS THAT HAVE BEEN DOCUMENTED

Once a program violation has been documented, RHA will propose the most appropriate remedy based upon the type and severity of the violation.

23.9.1 Procedural noncompliance. This category applies when the household "fails to" observe a procedure or requirement of RHA but does not misrepresent a material fact and there is no retroactive rent owed by the household. Examples of noncompliance violations are:

23.9.1.1 Failure to appear at a prescheduled appointment.

23.9.1.2 Failure to return verification in the time period specified by RHA.

23.9.2 Warning notice to the household. In such cases a notice containing the following will be sent to the household:

23.9.2.1 A description of the noncompliance and the procedure, policy, or obligation that was violated.

23.9.2.2 The date by which the violation must be corrected or the procedure complied with.

23.9.2.3 The action that will be taken by RHA if the procedure or obligation is not complied with by the date specified by RHA.

23.9.2.4 The consequences of repeated (similar) violations.

23.10 PROCEDURAL NONCOMPLIANCE – OVERPAID ASSISTANCE

23.10.1 When the household owes money to RHA for failure to report changes in income or assets, RHA will issue a notice of overpayment of assistance. This notice will contain the following:

23.10.1.1 A description of the violation and the date(s)

23.10.1.2 Any amounts owed to RHA

23.10.1.3 The number of days within which a response must be received

23.10.1.4 Acknowledgment of the household's right to disagree and to request an informal hearing along with instructions for requesting such a hearing

23.10.2 Participant fails to Comply with RHA's notice. If the participant fails to comply with RHA's notice and a household obligation has been violated, RHA will initiate termination of assistance.

23.10.3 Participant complies with RHA's notice. When a participant complies with RHA's notice the staff person responsible will meet with them to explain and discuss the household obligation or program rule that was violated. RHA will complete a participant counseling report, give one copy to the household, and retain a copy in the household's file.

23.11 INTENTIONAL MISREPRESENTATIONS

23.11.1 When a household falsifies, misstates, omits, or otherwise misrepresents a material fact that results (or would result) in an overpayment of housing assistance by RHA, RHA will evaluate whether or not:

23.11.1.1 The participant had knowledge that their actions were wrong (this will be evaluated by determining whether the participant was made aware of program requirements and prohibitions. The tenant's signature on various certifications, the briefing certificate, and the personal declaration are adequate to establish knowledge of wrongdoing).

23.11.1.2 The participant willfully violated the household obligations or the law

23.11.2 If the application contains intentional misrepresentations of income, RHA will charge the family all Housing Assistance Payments made on behalf of the family

while receiving assistance.

23.12 WILLFUL INTENT

Any of the following circumstances will be considered adequate to demonstrate willful intent:

23.12.1 An admission by the participant of the misrepresentation.

23.12.2 Repetition of the misrepresentation.

23.12.3 Use of a false name or Social Security number.

23.12.4 Admissions of the illegal action or omission by the participant to others.

23.12.5 Omission of material facts known to the participant (e.g., employment of the tenant or other household member).

23.12.6 Falsification, forgery, or altering of documents.

23.12.7 Uttering and certifying to statements at a rent (re)determination that are later independently verified to be false.

23.13 MINOR LEASE AND PROGRAM RULE VIOLATIONS

23.13.1 RHA may issue a client a Tenant Counseling Report, which will remain in the client's file, when notified by an owner of repeated minor lease violations or indicated by RHA staff for minor program violations. The purpose of a tenant counseling report is to review expectations outlined in the lease and/or Family Obligations before further violations impact a client's housing assistance.

23.13.2 Tenant Counseling Reports will be issued in writing and may also require an in-person appointment.

23.14 DISPOSITIONS OF CASES INVOLVING MISREPRESENTATION

In all cases of misrepresentations involving efforts to recover monies owed, RHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

23.14.1 Terminate tenancy and demand restitution in full.

23.14.2 Terminate tenancy and execute an administrative repayment agreement in accordance with RHA's repayment policy.

23.14.3 Terminate tenancy and pursue restitution through civil litigation.

23.14.4 Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with RHA's repayment policy.

23.15 NOTIFICATION TO PARTICIPANT OF PROPOSED ACTION

RHA will notify the household of the proposed action by certificate of mailing no later than 14 days after the case conference.

CHAPTER 24: ENTERPRISE INCOME VERIFICATION (EIV)

The U.S. Department of Housing and Urban Development (HUD) is actively involved in implementing and maintaining Departmental policies and procedures to keep its Systems secure from unauthorized access and inappropriate use. In compliance with various security-related Federal laws and regulations, HUD created rules of behavior for the Enterprise Income Verification (EIV) system. Reno Housing Authority will use the EIV tool to obtain Up-Front Income Verifications (UIV) data.

24.1 RESPONSIBILITIES

24.1.1 HUD, as the System Owner, is responsible for ensuring that an adequate level of protection is afforded to the EIV system through an appropriate implementation of technical, operational, and managerial security controls. EIV system users are responsible for the protection of passwords, information, equipment, systems, networks, and communication pathways to which they have access. All HUD computer resources including hardware, software, programs, files, paper reports, and data are the sole property of HUD.

24.1.2 Responsibilities of RHA. Since RHA has access to Upfront Income Verification (UIV) data through HUD's EIV system, it is required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD-issued document, Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification (UIV) Data.

24.1.2.1 Prior to utilizing HUD's EIV system, RHA adopted and continues to implement all EIV security procedures required by HUD.

24.2 SECURITY

24.2.1 Only staff with clearance obtained through User Administrators of each department will be able to access Secure Systems.

24.2.2 Users shall be held accountable for their actions while accessing the system.

24.2.3 Users should contact their supervisor and the HUD Security Officer immediately regarding any suspected violation or breach of system security.

24.3 EIV REPORTS

RHA staff will monitor the following reports on a monthly basis:

24.3.1 Deceased Tenants Report.

24.3.2 Identity Verification Report.

24.3.3 Immigration Report.

24.3.4 Multiple Subsidy Report.

24.4 USE OF EIV

24.4.1 RHA staff will use EIV as required by HUD regulations.

24.4.2 When EIV is not available, the family disputes the EIV data, or RHA determines additional information is required, RHA will use current tenant-provided documents to project annual income.

24.4.3 If a household is terminated or moved off the program with a debt, RHA will update the Enterprise Income Verification (EIV) database system with the amount of the debt owed to the agency in accordance with HUD's Debts Owed to Public Housing Agencies and Termination policy.

24.5 RETENTION OF EIV

EIV reports printed after September 1, 2010 will be maintained for the duration of tenancy and three years after the end of participation. EIV reports printed prior to September 1, 2010 may have been disposed of prior to the end of tenancy due to HUD guidance that stated reports needed to be shredded within two years of print date.

CHAPTER 25: HOTMA

25.1 OVERVIEW OF HOTMA

On July 29, 2016, the Housing Opportunities Through Modernization Act of 2016 (HOTMA) was signed into law. HOTMA makes numerous amendments to Sections 3, 8, and 16 of the United States Housing Act of 1937 (1937 Act), including changes to income calculations and certifications. HUD finalized HOTMA rulemaking in 2023 to put Sections 102, 103, and 104 into effect through revisions to HUD's regulations found in 24 CFR Part 5 and 24 CFR Part 891.

25.1.1 RHA will implement all provisions of HOTMA in accordance with regulations and will update the relevant sections of this plan as those changes become effective.

APPENDICES

26.1 APPENDIX 1 - DEFINITION OF TERMS

ABATEMENT OF HAP. When it has been determined that a unit on the program fails to meet HUD's standards and the owner, who is responsible, has failed to complete the necessary repair(s) in the time specified by RHA, the assistance payment to the owner will be abated (withheld). If the owner makes repairs during the abatement period, payment will resume on the day the repairs are completed. The owner will receive no payment from RHA for the period the unit was in abatement. [24 CFR §§ 982.405, 982.453]

ACTUAL COSTS. Actual cost of repair or replacement and labor charges incurred by the owner/manager to bring the unit to a re-rentable condition. Appropriate documentation such as invoices, receipts, or completed work orders must be submitted to document such costs.

ADMISSION. The point when a family becomes a participant in RHA's tenant-based or project-based voucher program (initial receipt of tenant-based or project-based voucher assistance). After admission, and so long as the family is continuously assisted with tenant-based or project-based voucher assistance, a shift to the other form of voucher assistance is not a new admission.

ADJUSTED INCOME. Annual income minus any HUD-allowable deductions.

ADMINISTRATIVE PLAN. The HUD required written policy of RHA governing its administration of the tenant-based and project-based voucher programs. The Administrative Plan and any revisions must be approved by RHA.

AGREEMENT TO ENTER INTO HAP CONTRACT (AHAP)*. The AHAP is a written contract between RHA and the owner in the form prescribed by HUD. The agreement defines requirements for development of housing to be assisted under this section. When development is completed by the owner in accordance with the agreement, RHA executes a HAP contract with the owner.

ANNUAL CONTRIBUTIONS CONTRACT (ACC). A written contract between HUD and RHA where HUD agrees to provide funding for operation of the program and RHA agrees to comply with HUD requirements for the program.

ANNUAL INCOME. Annual income includes (a) all amounts received from all sources by each member of the family who is 18 years of age or older, the head of household, spouse, or co-head, in addition to unearned income received by or on behalf of each dependent who is under 18 years of age, and (b) when the value of net family assets exceeds $50,000 (adjusted annually for inflation) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD (see Appendix 8).

APPLICANT. A person or a family who has applied for housing assistance. For this policy, the term "applicant" includes the head of household, spouse, co-head, all dependents, and all other adult members and their dependents.

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

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

CONTINUOUSLY ASSISTED. An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the household is admitted to the voucher program.

CONTRACT UNITS*. The housing units that are covered by the HAP contract.

COVERED PERSON. For purposes of 24 CFR Part 5, Subpart I, and Parts 966 and 982, and this section, means a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

DATE OWNER/MANAGER LEARNS OF VACANCY. The date the owner/manager has actual knowledge or, through the employment of reasonable management practices, should have knowledge of the vacancy.

DAY LABORER. An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future. Income earned as a day laborer is not considered non-recurring income and is included as income, even if the source, date, or amount varies.

DECENT, SAFE, AND SANITARY HOUSING. See National Standards for the Physical Inspection of Real Estate (NSPIRE).

DE MINIMIS ERROR. An error where the PHA determination of family income deviates from the correct income determination by no more than $30 per month in monthly adjusted income ($360 in annual adjusted income) per family.

DEPENDENT. A member of the family (excluding foster children and foster adults) other than the family head, co-head, or spouse, who is under 18 years of age, a person with a disability, or a full-time student 18 years of age or older

DISABLED FAMILY. A household whose head, co-head or spouse is a person with disabilities. It may include two or more persons with disabilities living together or one or more persons with disabilities living with one or more live-in aides.

DISABLED PERSON. A person who is under a disability as defined in Section 223 of the Social Security

Act or in Section 102 (5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970, or who is handicapped as defined in this Definition of Terms. Section 223 of the Social Security Act defines "disability" as:

a. Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to last for a continuous period of not less than 12 months; or

b. In the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in Section 416(1) of this title), inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time. Section 102 (5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970, defines "disability" as: a disability attributable to mental retardation, cerebral palsy, epilepsy or another neurological condition of an individual found by the Secretary (of Health, Education and Welfare) to be closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals, which disability originates before such individual attains age eighteen, which has continued or can be expected to continue indefinitely and which constitutes a substantial handicap to such individual.

DISPLACED FAMILY. A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed because of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.

DRUG. A controlled substance, as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

DRUG-RELATED CRIMINAL ACTIVITY. The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with the intent to manufacture, sell, distribute or use the drug, as defined in the Section 102 of the Controlled Substances Act (21 U.S.C. 802).

DRUG TRAFFICKING. The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

EARNED INCOME. Income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.

ECONOMIC SELF-SUFFICIENCY PROGRAM. Any program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and

any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities. Economic Self-Sufficiency Programs include any work activities as defined in the Social Security Act [42 U.S.C. 607(d)].

ELDERLY FAMILY. A family whose head, co-head, or spouse is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together or one or more such persons living with one or more live-in aides.

ELDERLY PERSON. A person who is at least 62 years old.

ELIGIBLE FAMILY. A household who qualifies based on Section 2.1 and who meets the other requirements of this Administrative Plan. The term "family" includes elderly, handicapped, disabled person, the remaining member(s) of a household, or a single person. The definition does not exclude persons living alone during the temporary absence of a household member who will later live regularly as part of the household.

ELIGIBLE IMMIGRATION STATUS. 24 CFR 5, Subpart E.

a. Restrictions on assistance. Financial assistance under the programs covered by this subpart is restricted to:

- Citizens; or
- Noncitizens who have eligible immigration status in one of the following categories:
    - A noncitizen lawfully admitted for permanent residents, as defined by Section 101(a)(30) of the Immigration and Nationality Act (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) who has been granted lawful temporary resident status);
    - A noncitizen who entered the United Stated 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);
    - 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 grant of asylum (which has not been terminated) under Section 208 of the INA (8 U.S.C. 1153 (a)(7)) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic national calamity;
    - 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 deemed strictly in the public

interest under Section 212 (d)(5) (parole status);

- 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. 1253(h)) (threat to life or freedom); or

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

b. Family eligibility for assistance.

- A family shall not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status, as described in paragraph (a) of this section;

- Despite the ineligibility of one or more family members, a mixed family may be eligible for one of three types of assistance provided in 24 CFR 5.516 and 5.518. A family without any eligible members and receiving assistance on June 19, 1995 may be eligible for temporary deferral of termination of assistance as provided in 24 CFR 5.516 and 5.518.

EVIDENCE OF CITIZENSHIP OR ELIGIBLE STATUS. The documents which must be submitted to evidence of citizenship or eligible immigration status. [24 CFR § 5.508(b)]

EXCEPTED UNITS*. Units in a multifamily project not counted toward the program cap or project cap because they meet certain criteria. Only “qualifying” families can live in excepted units.
[24 CFR § 983.59]

EXISTING HOUSING*. Housing units that already exist on the proposal selection date and that substantially comply with HUD’s inspection standards on that date. The units must fully comply with HUD’s standards before execution of the HAP contract.

EXTREMELY LOW-INCOME FAMILY. A very low-income family whose annual income does not exceed the higher of: (a) the poverty guidelines established by the Department of Health and Human Services applicable to the family of the size involved, or (b) thirty percent (30%) of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes. See Appendix 2 for current income limits.

FAIR MARKET RENT (FMR). The rent, including utilities (except for telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in order to obtain privately-owned existing, decent, safe, and sanitary rental housing of a modest (non-luxury-type unit) nature with suitable amenities. Also known as Metro Area Fair Market Rents (MAFMRs).

FAMILY (HOUSEHOLD). Includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

a. A single person, who may be:

- An elderly person, displaced, person, disabled person, near-elderly person or any other single person;
- An otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in Section 475(5)(H) of the Social Security Act, and is homeless or is at risk of becoming homeless at age 16 or older; or

b. A group of persons residing together, and such group includes, but is not limited to:

- Households with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
- An elderly family;
- A near-elderly family;
- A displaced family;
- A disabled family; and
- The remaining member of a tenant family.

c. Also included in the Family may be:

- Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively. (There will be a self-certification required of households who claim joint custody or temporary guardianship.)
- Other persons who will live regularly as part of the Family group, including foster children and members of the Family temporarily absent, and whose income and resources are available for use in meeting the living expenses of the group.
- Lodgers may not be included in the Family.

The terms displaced person, elderly person, near-elderly person, and person with disabilities are defined at paragraph 3 of section 3(b) of the 1937 Act (42 U.S.C. 1437a(b)(3).
[24 CFR § 5.403]

FAMILY SHARE. The portion of rent and utilities paid by the family, calculated by subtracting the HAP from the gross rent.

FAMILY SELF-SUFFICIENCY PROGRAM (FSS PROGRAM). A program established to promote self-sufficiency of HUD assisted families, including the coordination of supportive services.

FAMILY UNIT SIZE. The appropriate number of bedrooms for a household, as determined by RHA under RHA's subsidy standards.

FOSTER ADULT. A member of the household who is 18 years of age or older and who meets the definition of a foster adult under state law. In general, a foster adult is a person who is 18 years of age or older, is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

FOSTER CHILD. A member of the household who meets the definition of a foster child under state law. In general, a foster child is placed with the family by an authorized placement agency (e.g. public child welfare agency) or by judgment, decree, or other order of any court of competent jurisdiction.

FULL-TIME EMPLOYMENT. RHA defines full-time employment as a person who is employed and working a minimum of 32 hours per week.

FULL-TIME STUDENT. A person who is attending high school or who is enrolled in an institution of higher education (i.e. university, community college, trade school, etc.) and completing at least 12 credit hours per semester.

GROSS RENT. The rent to owner plus any allowance for utilities and other services.

GUEST. Only for purposes of 24 CFR Part 5, Subparts A and I, and Parts 882, 960, 966, and 982, means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of Parts 966 and 982 apply to a guest as defined.

HANDICAPPED PERSON. A person who has an impairment which:

a. Is expected to be of long, continued and indefinite duration,

b. Substantially impedes his/her ability to live independently, and

c. Is of such a nature that such disability could be improved by more suitable housing conditions.

HATE CRIME. Actual or threatened physical violence or intimidation that is directed against a person or his/her property and that is based on the person's race, color, religion, sex, national origin, handicap, or familial status.

HEAD OF HOUSEHOLD. The adult member of the family who assumes legal and financial responsibility for the household and is listed on the initial application as head.

HEALTH AND MEDICAL CARE EXPENSES. Health and medical care expenses are any costs incurred in the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body. Health and medical care expenses include medical insurance premiums and long-term care premiums that are paid or anticipated during the period for which annual income is computed.

HIGH-RISE. Includes buildings of five stories or more with an elevator.

HOUSING ASSISTANCE PAYMENT (HAP). The monthly assistance payment for a PBV unit, which includes: (1) a payment to the owner for rent to owner under the family's lease minus the tenant rent; and (2) an additional payment to or on behalf of the family, if the utility allowance exceeds the total tenant payment, in the amount of such excess.

HOUSING ASSISTANCE PAYMENT CONTRACT. A written contract between RHA and the owner/manager for the purpose of providing HAP to the owner/manager on behalf of an eligible household.

HOUSEHOLD. The family and RHA-approved live-in aide, foster child, or foster adult who have been approved to reside in the unit. [24 CFR Part 982]

IMPUTED ASSET. Assets disposed of for less than Fair Market Value during two years preceding examination or recertification.

IMPUTED INCOME. HUD passbook rate x total cash value of assets where the actual asset income cannot be determined. Calculation used when assets exceed $50,000 (adjusted annually for inflation – see Appendix 8).

IMPUTED WELFARE INCOME. An amount of annual income that is not actually received by a household because of a specified welfare benefit reduction but is included in the household's annual income and therefore reflected in the household's rental contribution.

IN-PLACE FAMILY. A family who lived in a pre-conversion property at the time assistance was converted from Public Housing to PBV under RAD.

INCOME. See Annual Income.

INCOME LIMITS. The maximum annual income a household may have to be eligible for rent assistance as determined by HUD (Appendix 2).

INDEPENDENT CONTRACTOR. An individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code Federal income tax requirements and whose earnings are consequently subject to the Self-Employment Tax. In general, an individual is an independent contract if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.

INFORMAL HEARING. A review of RHA's decisions related to the individual circumstances of an applicant/tenant family. The review is conducted by a person/persons other than the person who made or approved the decision under review or a subordinate of such person, at which an applicant or tenant may present objections to RHA's action or failure to act.

INTERIM RECERTIFICATION. The process of securing documentation to determine the rent the tenant will pay when there are applicable changes to family composition and/or a decrease in income between regular recertifications.

INVOLUNTARILY DISPLACED PERSON. Involuntarily displaced persons are applicants or residents who qualify for the involuntary displacement local preference.

LANDLORD. Either the legal owner of the property or the owner's representative or managing agent as designated by the owner.

LEASE. A written agreement between an owner and a tenant for the leasing of a unit to the tenant. The lease establishes the conditions for occupancy of the unit by a household with Housing Assistance Payments under a HAP contract between the owner and RHA. In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement establishes the conditions for occupancy of the member's household with Housing Assistance Payments to the cooperative under a HAP Contract between the cooperative and RHA.

LEASE ADDENDUM. For pre-merger Certificate, pre-merger OFTO, and pre-merger voucher tenancies, the lease language required by HUD in the lease between the tenant and the owner.

LIVE-IN AIDE. A person who resides with one or more elderly persons, or persons with disabilities, and who; (a) is determined to be essential to the care and well-being of the persons, (b) is not obligated for the support of the persons, and (c) would not be living in the unit except to provide necessary supportive services.

LOCAL PREFERENCE. A preference used by RHA to select among applicant families without regard to their date and time of application.

LOW-INCOME FAMILY. A household whose income does not exceed 80 percent of the median household income for the area, as determined by HUD with adjustments for smaller and larger households (see Appendix 2, Income Limits).

LOW-RISE. Includes multifamily apartment buildings of five or more units and up to four stories. Also includes five or six-story buildings without an elevator as low-rise structures.

MAXIMUM INITIAL RENT BURDEN. Any new admission or any household who moves may not pay more than 40 percent of adjusted monthly income toward the initial rent for the unit if the gross rent for the unit is greater than the applicable payment standard for the household. This limit applies only at time of initial leasing of a unit, not after. If it is determined that particular unit sizes in RHA's jurisdiction have payment standard amounts that are creating rent burdens for households, RHA will modify its payment standards for those particular unit sizes.

MINIMUM RENT OR MINIMUM FAMILY CONTRIBUTION. Minimum amount of rent an assisted household is required to pay, except when a financial hardship exists. Minimum rent in the PBV program is $100. This includes the combined amount (TTP) a household pays towards rent and/or utilities.

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

MIXED FAMILY. A household with citizens and eligible immigration status and without citizens and

eligible immigration status as defined in 24 CFR § 5.504(b).

MOBILITY PROGRAM. Under Moving to Work, RHA is purchasing, rehabilitating, and assigning PBVs to single family homes, duplexes, apartments, and condos in low-poverty areas. Public Housing families with children who meet eligibility requirements will have the opportunity to apply to live in these properties.

MONTHLY ADJUSTED INCOME. One twelfth of the family's annual income after allowances (see Adjusted Income).

MONTHLY INCOME. Once twelfth of annual income (see Annual Income).

MULTIFAMILY BUILDING*. A building with five or more dwelling units (assisted or unassisted).

NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTATE (NSPIRE). HUD's inspection protocol that prioritizes health, safety, and functional deficiencies over those about appearance, with a focus on the areas that impact residents the most (such as the unit).

NEAR-ELDERLY. A person who is at least 55, but less than 62 years of age.

NET FAMILY ASSETS. The net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds and other forms of capital investment. Net family assets include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or recertification, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives consideration not measurable in dollar terms. Negative equity in real property or other investments does not prohibit the owner from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets.

NEWLY CONSTRUCTED HOUSING*. A project containing housing units that do not exist on the proposal or project selection date and are developed after the proposal or project selection date for use under the PBV program.

NON-CITIZEN. A person who is neither a citizen nor a national of the United States.

NON-IMMIGRANT STUDENT ALIEN. An alien having a residence in a country which he/she has no intention of abandoning, who is a bona fide student qualified to pursue a full course of study and who is admitted to the United States as a non-immigrant alien as defined in Section 101(a)(15)(F)(i) of the Immigration and Nationality Act (18) USC 1101(a)(15)(F)(i) temporarily and solely for the purpose of pursuing such full course of study at an established institution of learning or other recognized place of study in the United States. Also, non-immigrant alien spouse and minor children of such student if accompanying him/her or following to join him/her.

OTHER PERSON UNDER TENANTS CONTROL. For the purposes of the definition of covered person and for 24 CFR Parts, 882, 966, 982, and for this section, means that the person, although not staying as a guest (as defined in this section) in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant's control.

OWNER. Any person or entity, including a cooperative, having the legal right to lease or sub-lease a unit.

PARTICIPANT (PARTICIPANT FAMILY). A family that has been admitted and is currently assisted in the PBV program.

PHA-OWNED UNIT*. A unit owned by RHA as the agency administering the voucher program. PHA-owned means that RHA or its officers, employees, or agents hold a direct or indirect interest in the building in which the unit is located, including an interest as titleholder or lessee, or as a stockholder, member or general or limited partner, or member of a limited liability corporation or an entity that holds any such direct or indirect interest.

PHA PLAN. The annual MTW plan as adopted by the PHA and approved by HUD in accordance with 24 CFR 903.

PROJECT*. A project can be a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land. "Contiguous" in this definition includes "adjacent to," as well as touching along a boundary or a point. A PHA may, in its Administrative Plan, establish the circumstances under which it will define a project as only one of the following: a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land.

PROPROSAL SELECTION DATE*. The date RHA gives written notice of PBV proposal selection to an owner whose proposal is selected in accordance with the criteria established in RHA's Administrative Plan.

PUBLIC HOUSING AGENCY (PHA). Any state, county, municipality or other governmental entity or public body which is authorized to engage in or assist in the development or operation of housing for Lower-Income Families. In Washoe County, this is the Housing Authority of the City of Reno.

QUALIFIED ASSISTED FAMILY. A household who is or who has been a participant under the voucher program and who has not vacated a unit owing rent or other amounts under its lease with an owner/manager.

QUALIFYING FAMILIES*. (a) Elderly and/or disabled families and/or (b) families receiving supportive services.

REASONABLE RENT. A rent to owner that is not more than rent charged for comparable units in the private unassisted market, and not more than the rent charged for comparable unassisted units in

the premises.

RECERTIFICATION. The process of securing documentation of total household income used to determine the rent the tenant will pay for the next 12-36 months if there are no additional changes to be reported. There are annual and interim recertifications.

REHABILITATED HOUSING. A project which is developed for use under the PBV program, in which all proposed contract units exist on the proposal or project selection date, but which does not qualify as existing housing.

REMAINING MEMBER OF TENANT FAMILY. People left in assisted housing after other household members have left and become unassisted.

RENT TO OWNER. The total monthly rent payable by the family and RHA to the owner under the lease for the unit. Rent to owner includes payment for any housing services, maintenance and utilities that the owner is required to provide in accordance with the lease.

RESPONSIBLE ENTITY (FOR ENVIRONMENTAL REVIEW)*. The unit of general local government within which the property is located that exercises land use responsibility or, if HUD determines this infeasible, the county, or if HUD determines that infeasible, the state.

RHA. Reno Housing Authority.

ROWHOUSE/TOWNHOUSE. Includes structures with three or more units side-by-side and under one roof (multi-levels in one unit).

SEASONAL WORKER. An individual who is: 1) hired into a short-term position (e.g., for which the customary employment period for the position is 6 months or fewer); and 2) the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the employer or industry. Income earned as a seasonal worker is not considered non-recurring income and is included as income, even if the source, date, or amount varies.

SECURITY DEPOSIT. The greater of the amount the owner/manager actually collected or could have collected from the tenant at the date of lease up. This cannot be less than $50.

SECURITY DEPOSIT SETTLEMENT STATEMENT. The letter or form the owner/manager has used to summarize the status of the tenant's account at move-out (including the costs incurred to restore the unit to a rentable condition) that was submitted to the tenant for payment or refund.

SEMI-DETACHED. Includes units in duplex, triplex, four-plex and two-family homes, all on one floor.

SINGLE-FAMILY BUILDING*. A building with no more than four units (assisted or unassisted).

SINGLE FAMILY DETACHED. Includes building structures that house only one family under one roof.

SITE*. The grounds where the contract units are located or will be located after development.

SMALL AREA FAIR MARKET RENT (SAFMR). FMRs calculated for zip codes within metropolitan areas, which may be used as the basis for setting Exception Payment Standards.

SPOUSE. The husband or wife of the head of household.

SUBSIDY STANDARDS. Standards established by RHA to determine the appropriate number of bedrooms and amount of subsidy for households of different sizes and compositions.

TEMPORARILY ABSENT. Temporarily absent is defined as being away from the unit for no more than 30 days.

TENANT. For the purposes of this document, the term "tenant" includes the head of household, spouse, all dependents, and all other adult members of the household and their dependents.

TENANT DAMAGES. All destruction of property over and above normal wear and tear by a tenant. This also includes any unusual cleaning required at the time the tenant vacates.

TENANT PAYMENT. (1) A household renting a unit above the payment standard will pay the highest of 30 percent of their monthly adjusted income, 10 percent of their monthly gross income, or minimum rent, plus any rent above the payment standard. (2) A household renting a unit below the payment standard will pay as gross rent the highest of 30 percent of their monthly adjusted income, 10 percent of their monthly gross income, or minimum rent.

TENANT RENT. The amount payable monthly by the family as rent to the unit owner.

TOTAL TENANT PAYMENT (TTP). The total amount the HUD formula requires the tenant to pay toward rent and utilities. The portion of the gross rent payable by an eligible household (i.e., the difference between the amount of Housing Assistance Payment payable on behalf of the household and the gross rent).

UNEARNED INCOME. Any annual income, as calculated under 24 CFR § 5.609, that is not earned income.

UNPAID RENT. Rent owed when the tenants vacated, with or without notice, and failed to pay their portion of the rent through the end of the month.

UNREIMBURSED HEALTH AND MEDICAL CARE EXPENSES. Total medical expenses anticipated during the period for which Annual Income is computed that are not covered by insurance. Health and medical care expenses include costs incurred for the diagnosis, cure, mitigation, treatment, or prevention of disease or payments for treatments affecting any structure or function of the body.

UTILITIES. Includes electricity, heating, water, hot water, cooking, trash collection, sewer, stove and refrigerator. Telephone service is not included as a utility.

UTILITY ALLOWANCE. An amount determined by RHA as an allowance for the cost of utilities (except telephone) and charges for other services payable directly by the household. Where the household pays directly for one or more utilities or services, the amount of the allowance is deducted from the

gross rent in determining the rent to owner and is included in the gross household contribution.

UTILITY REIMBURSEMENT PAYMENT. The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the household occupying the unit. (Applies only to the HUD VASH program.)

VACANCY LOSS. The loss of rent to an owner/manager from the date a unit is vacated and re-rented may, under certain circumstances, be reimbursable by RHA as Vacancy Loss.

VERY-LOW INCOME FAMILY. A family whose annual income does not exceed 50% of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income limits higher or lower than 50% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes (Appendix 2, Income Limits).

VIOLENCE AGAINST WOMEN AND DEPARTMENT OF JUSTICE REAUTHORIZATION ACT OF 2005 (VAWA). The Violence against Women Act was first authorized in 1994. On January 5, 2006, President George W. Bush signed into law the Reauthorization Act. Public Law 109-162 deals with domestic violence, dating violence, sexual assault, and stalking. It specifies the forms of acceptable certification a victim must provide to RHA to be eligible for the provisions under this law. Sections 603 and 606 of Title VI of the VAWA are applicable to federally assisted housing.

VIOLENT CRIMINAL ACTIVITY. Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

WAITING LIST ADMISSION*. An admission from RHA- or owner-maintained PBV waiting list in accordance with 24 CFR § 983.251.

WRONG-SIZE UNIT*. A unit occupied by a family that does not conform to RHA's subsidy guideline for family size, by being either too large or too small compared to the standard.

* PBV specific definitions.

26.2 APPENDIX 2 - INCOME LIMITS

FY 2026 INCOME LIMITS

# Persons	30% Extremely Low	50% Very Low	80% Low
1	$24,550	$40,900	$65,450
2	$28,050	$46,750	$74,800
3	$31,550	$52,600	$84,150
4	$35,050	$58,400	$93,450
5	$38,680	$63,100	$100,950
6	$44,360	$67,750	$108,450
7	$50,040	$72,450	$115,900
8	$55,720	$77,100	$123,400

26.3 APPENDIX 3 - HUD FAIR MARKET RENTS

FY 2027 Metro Area Fair Market Rents by Bedroom Size					
0	**1**	**2**	**3**	**4**	**5**
$1,279	$1,460	$1,837	$2,452	$2,842	$3,268

FY 2027 Small Area Fair Market Rents (cont'd on next page) by Bedroom Size						
Zip Code	**0**	**1**	**2**	**3**	**4**	**5**
89402	$1,560	$1,740	$2,180	$2,910	$3,370	$3,876
89405	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89412	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89424	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89431	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89432	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89433	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89434	$1,500	$1,710	$2,150	$2,870	$3,330	$3,830
89435	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89436*	$1,660	$1,900	$2,390	$3,190	$3,700	$4,255
89439	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89441*	$1,720	$1,990	$2,500	$3,390	$3,940	$4,531
89442	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89450*	$1,640	$1,870	$2,350	$3,140	$3,640	$4,186
89451*	$1,640	$1,870	$2,350	$3,140	$3,640	$4,186

*Zip Codes in **bold*** are being used for Exception Payment Standards.*

FY 2027 Small Area Fair Market Rents By Bedroom Size						
Zip Code	**0**	**1**	**2**	**3**	**4**	**5**
89501	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89502	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89503	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89504	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89505	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89506	$1,460	$1,660	$2,090	$2,790	$3,230	$3,715
89507	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89508*	$1,640	$1,870	$2,350	$3,140	$3,640	$4,186
89509	$1,270	$1,450	$1,820	$2,430	$2,820	$3,243
89510	$1,400	$1,600	$2,010	$2,690	$3,110	$3,577
89511	$1,540	$1,760	$2,210	$2,950	$3,420	$3,933
89512	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89513	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89515	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89519*	$1,660	$1,900	$2,390	$3,190	$3,700	$4,255
89521*	$1,740	$1,990	$2,500	$3,340	$3,870	$4,451
89523	$1,360	$1,560	$1,960	$2,620	$3,030	$3,485
89533	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89557	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89570	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89595	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89599	$1,280	$1,460	$1,840	$2,460	$2,850	$3,278
89703	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059
89704	$1,170	$1,350	$1,690	$2,290	$2,660	$3,059

*Zip Codes in **bold*** are being used for Exception Payment Standards.*

26.4 APPENDIX 4 - VOUCHER PAYMENT STANDARDS

Basic* Payment Standard by Bedroom Size					
0	**1**	**2**	**3**	**4**	**5**
$1,215	$1,387	$1,745	$2,329	$2,700	$3,105

*Applicable throughout Washoe County if Zip Code is not listed in Exception Payment Standards table.

Effective for moves/transfers and annuals effective 1/1/27.

Exception Payment Standards** by Bedroom Size and Zip Code						
Zip Code	**0**	**1**	**2**	**3**	**4**	**5**
89436	$1,577	$1,805	$2,271	$3,031	$3,515	$4,042
89441	$1,634	$1,891	$2,375	$3,221	$3,743	$4,304
89450	$1,558	$1,777	$2,233	$2,983	$3,458	$3,977
89451	$1,558	$1,777	$2,233	$2,983	$3,458	$3,977
89508	$1,558	$1,777	$2,233	$2,983	$3,458	$3,974
89519	$1,577	$1,805	$2,271	$3,031	$3,515	$4,042
89521	$1,653	$1,891	$2,375	$3,173	$3,677	$4,228

**Only applicable in the listed Zip Codes. Other Zip Codes see Basic table.

Effective for moves/transfers and annuals effective 1/1/27.

26.5 APPENDIX 5 - STANDARDIZED UTILITY ALLOWANCES

Owner Paid Water/Sewer/Trash Effective for annuals and vouchers issued on or after 1/1/27					
Structure Type	**0-BR**	**1-BR**	**2-BR**	**3-BR**	**4-BR+**
EES*	$52	$58	$74	$89	$103
Apartment	$60	$68	$87	$105	$123
Townhouse/Semi-Detached/Duplex	$71	$82	$105	$128	$152
Detached – Single Family House	$87	$100	$128	$155	$182
Mobile	$87	$100	$123	$146	$170

*EES – Energy Efficient Systems includes cooking, heating, and all electric.

Tenant Paid Water/Sewer/Trash – (must pay at least 2 to qualify) Effective for annuals and vouchers issued on or after 1/1/27					
Structure Type	**0-BR**	**1-BR**	**2-BR**	**3-BR**	**4-BR+**
EES*	$163	$171	$190	$209	$229
Apartment	$173	$181	$204	$226	$249
Townhouse/Semi-Detached/Duplex	$184	$195	$222	$249	$278
Detached – Single Family House	$211	$224	$256	$287	$319
Mobile	$211	$224	$251	$278	$307

*EES – Energy Efficient Systems includes cooking, heating, and all electric.

26.6 APPENDIX 6 - LIFE THREATENING CONDITIONS

Life-Threatening Conditions as defined by HUD in the Housing Opportunity Through Modernization Act of 2016 Life-Threatening List ("HOTMA LT"). [24 CFR 982.404, 82 FR 5458]

The responsible party must correct life-threatening conditions within 24 hours of PHA notification.

Inspectable Item	Deficiency
Call-for-Aid System	System is blocked, or pull cord is higher than 6 inches off the floor.
	System does not function properly.
Carbon Monoxide Alarm	Carbon monoxide alarm is missing, not installed, or not installed in a proper location.
	Carbon monoxide alarm is obstructed.
	Carbon monoxide alarm does not produce an audio or visual alarm when tested.
Chimney	A visually accessible chimney, flue, or firebox connected to a fireplace or wood-burning appliance is incomeplete or damaged such that it may not safely contain fire and convey smoke and combustion gases to the exterior.
	Chimney exhibits signs of structural failure.
Clothes Dryer Exhaust Ventilation	Electric dryer transition duct is detached or missing.
	Gas dryer transition duct is detached or missing.
	Electric dryer exhaust ventilation system has restricted airflow.
	Dryer transition duct is constructed of unsuitable material.
	Gas dryer exhaust ventilation system has restricted airflow.
Door - Entry	Entry door is missing.
Door - Fire Labeled	Fire labeled door is missing.
Egress	Obstructed means of egress.
	Sleeping room is located on the 3rd floor or below and has an obstructed rescue opening.
	Fire escape is obstructed.
Electrical - Conductor, Outlet, and Switch	Outlet or switch is damaged.
	Exposed electrical conductor.
	Water is currently in contact with an electrical conductor.
Electrical - Service Panel	The overcurrent protection device is damaged.
Exit Sign	Exit sign is damaged, missing, obstructed, or not adequately illuminated.
Fire Escape	Fire escape component is damaged or missing.
Fire Extinguisher	Fire extinguisher pressure gauge reads over or under-charged.
	Fire extinguisher service tag is missing, illegible, or expired.
	Fire extinguisher is damaged or missing.
Flammable and Commbustable Items	Flammable or combustible item is on or within 3 feet of an appliance that provides heat for thermal comfort or a fuel-burning water heater.
	OR
	Improperly stored chemicals.
Guardrail	Guardrail is missing or not installed.
	Guardrail is not functioning adequately.

Inspectable Item	Deficiency
Heating, Ventilation, and Air Conditioning (HVAC)	The inspection date is on or between October 1 and March 31 and the permanently installed heating source is not working or the permanently installed heating source is working and the interior temperature is below 64 degress Fahrenheit.
	Unvented space heater that burns gas, oil, or kerosene is present.
	Combustion chaber cover or gas shutoff valve is missing from a fuel burning heating appliance.
	Fuel burning heating system or device exhaust vent is misaligned, blocked, disconnected, improperly connected, damaged, or missing.
Leak - Gas or Oil	Natural gas, propane, or oil leak.
Mold-Like Substance	Presence of mold-like substance at extremely high levels is observed visually.
Smoke Alarm	Smoke alarm is not installed where required.
	Smoke alarm is obstructed.
	Smoke alarm does not produce an audio or visual alarm when tested.
Sprinkler Assembly	Sprinkler head assembly is encased or obstructed by an item or object that is within 18 inches of the sprinkler head.
	Sprinkler assembly component is damaged, inoperable, or missing and it is detrimental to performance.
	Sprinkler assembly has evidence of corrosion.
	Sprinkler assembly has evidence of foreign material that is detrimental to performance.
Structural System	Structural system exhibits signs of serious failure.
Toilet	Only 1 toilet was installed, and it is missing.
Water Heater	Chimney or flue piping is blocked, misaligned, or missing.
	Gas shutoff valve is damaged, missing, or not installed.

26.7 APPENDIX 7 - SIMPLIFIED MEDICAL DEDUCTION

Gross Annual Income Range	Annual Medical Deduction
$1 - $15,659	$0
$15,660 - $21,131	$1,650
$21,132 +	$3,350

Effective 1/1/27 for annual recertifications

26.8 APPENDIX 8 - INFLATIONARY ADJUSTMENT SCHEDULE

The table below lists all amounts referenced in this plan which are adjusted yearly by HUD based on inflation. These figures are in effect for new move-ins and annual recertifications on or after January 1, 2027.

ADJUSTED ITEM	REGULATORY REFERENCE	AMOUNT
Threshold above which net family assets at admissions render them ineligible for assistance	24 CFR 5.618	$109,797
Threshold below which the family may self-certify their assets	24 CFR 5.618(b)(1)	$54,898
Threshold above which imputed returns must be calculated on net family assets	24 CFR 5.609(a)(2) and (b)(1)	$54,898
Threshold above which the total value of non-necessary personal property is included in net family assets	24 CFR 5.603(b)	$54,898
Dependent Deduction	24 CFR 5.611(a)(1)	$525*
Elderly/Disabled Family Deduction	24 CFR 5.611(a)(2)	$575*
Passbook rate used for calculating imputed asset income	24 CFR 5.609(a)	0.38%

* Or other deduction amount as determined by HUD.