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**HOUSING CHOICE VOUCHER PROGRAM  
ADMINISTRATIVE PLAN**

SPRINGFIELD (IL) HOUSING AUTHORITY  
200 NORTH ELEVENTH STREET  
SPRINGFIELD, IL 62703

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## **HOUSING CHOICE VOUCHER (HCV) PROGRAM**

### **Section I. STATEMENT OF POLICIES AND OBJECTIVES**

#### **A. Civil Rights Policy**

It is the policy of the Housing Authority of Springfield, Illinois (also referred to as the SHA or "Authority") to comply fully with 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); Executive Order 11063; Section 3 of the 1968 Civil Rights Act, and with all rules and requirements issued pursuant thereto and to administer the program in accordance with all rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

Specifically, SHA shall not on account of race, color, sex, creed, national origin, religion, disability, familial status, sexual orientation, gender identity, marital status, age, or any other protected classification deny any family or individuals the opportunity to apply for assistance under HUD's Housing Choice Voucher Program.

To further its commitment to full compliance with applicable Civil Rights Acts, SHA will provide Federal/State/local information to applicant/participant households regarding discrimination and recourse in the event of discrimination. Such information will be made available during the family briefing for the HCV program and all applicable forms and printed material will be made a part of the Housing Choice Voucher Holders Packet.

Potential and participating landlords will be apprised of applicable Fair Housing laws and SHA policy regarding actions to be taken against landlords involved in discriminatory leasing practices.

SHA subscribes to HUD's "open-housing" policy and, as such, will maintain lists of available housing submitted by owners, realtors, and agents to ensure greater housing choice and opportunities for low-income households served by this agency.

A family or person may claim that illegal discrimination has occurred because of or based on race, color, religion, sex, national origin, age, familial status, disability, sexual orientation, gender identity, marital status, or any other protected classification which prevents the family from finding or leasing a suitable unit with assistance under the program. The SHA will give the family information on how to fill out and file a housing discrimination complaint.

#### **B. Privacy Policy**

It is the policy of the Springfield (Illinois) Housing Authority (SHA) to facilitate the full exercise of rights conferred on individuals under the Privacy Act of 1974, 5 U.S.C. 552A, and to ensure the protection of privacy of individuals about whom the Springfield Housing Authority maintains records under its HCV Housing Choice Voucher Program. This protection will be extended to all participating owners to the extent provided under the law.

Under this agency's interpretation of the Privacy Act, this protection will be limited to only those persons reported to SHA as household members on their most recent certification/recertification form. Any requests for release of information must be accompanied by a release form (in the manner prescribed by SHA) in order for the

Authority to release any information involving a participant household member.

The SHA must provide prospective landlords a Voucher holder's current address, name and address (if known to the SHA) of the landlord at the family's current and prior addresses. The SHA may offer the owner other information in the Authority's possession about the family, including information about the tenancy history of family members or about drug trafficking of family members.

It is important to note that the aforementioned privacy policy is applicable to the release of participant information and NOT the gathering and use of information necessary to ensure full compliance with HUD regulations governing such items including, but not limited to the following determinations:

- initial and on-going eligibility
- applicable allowances and deductions
- resident rental payments
- current and "past" assets
- outstanding indebtedness to government as a result of prior participation in other Federally subsidized housing programs.

However, no information regarding applicant/participant households will be solicited by SHA unless directly attributed to direct/implied responsibilities of the Authority.

### **C. Program Objectives/Statement of Program Approach**

SHA will implement its low-income housing programs in a manner consistent with the overall SHA policy of providing "decent, safe, sanitary and affordable" housing of a modest nature to participant households (note: "Participant" households are those currently receiving housing assistance payments under a HAP contract executed on their behalf as defined in the Housing Choice Voucher Programs' Voucher form).

The SHA shall make available to the public as much information as is possible concerning the types of programs and services provided or offered. This information shall include procedures by which interested households can request additional information and assistance.

Outreach methods utilized by the Authority will be re-evaluated as to their necessity and/or effectiveness. Outreach methods and strategy will be re-designed if SHA determines that a segment or segments of the community are not being reached or that very low-income households have not been certified in sufficient number to achieve "full-occupancy" (95%+ occupancy), or that owners of properties in various areas are not being reached.

Inasmuch as one component of the Voucher Program is administered in conjunction with HUD's Rental Rehabilitation Program, outreach methods and program notification will be limited to households residing in the units to be rehabilitated at the time the owner's application is approved (i.e. at the time of loan-closing). This limitation is based upon regulatory restrictions and, therefore will not include any families that occupy the units after approval of the owner's application.



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**D. Misrepresentation**

Section 1001 of Title 18 of the United States Code makes it a criminal offense to knowingly make a false statement to any department or agency of the United States as to any matter within its jurisdiction and establishes penalties of fines up to \$10,000 and/or imprisonment not to exceed five years.

**E. Monitoring Program Performance**

The SHA places strong emphasis on staff communication in regular staff meetings. Problems and potential problems are investigated, discussed and handled using team effort. The SHA management policy is formulated accordingly. Internal policies and procedures, as required for the implementation of the Administrative Plan, shall be developed as necessary.

A monitoring and evaluation system has been developed to include major program areas. This system is designed to ensure that regulations are followed and program goals are met. Changes in approach are initiated on an as-needed basis, subject to program regulations and funding limitations. Annual and interim reexaminations, leases, contracts, and supporting documents are checked by appropriate staff for accuracy, completion, and program compliance. An independent public accountant will conduct an annual financial audit on an annual basis.

The SHA will maintain records of applications, eligibility and ineligibility determinations, verifications, NSPIRE inspections, leases, contracts and payment information in applicant and participant files. Inactive files will be maintained for a minimum of three years.

Applicable records related to immigration status will be maintained for a minimum of five years. All other aspects of monitoring program performance will be performed in accordance with HUD requirements and the SHA's policies.

**F. Interpretation and Amendment***Interpretation*

The policies set forth herein shall be interpreted, implemented and acted upon in relation to the laws of the United States and the State of Illinois, and all rules, regulations and policies enacted, enforced or promulgated by the United States Department of Housing and Urban Development, all of which shall take precedence over the Policies and Procedures described in this Administrative Plan and all current rules, regulations and policies, including but not limited to Income Limits, Utility Schedules and Fair Market Rents, shall be in accordance with Federal law.

*Amendment*

The policies outlined herein shall be amended only by resolution adopted by the affirmative vote of the SHA Board upon recommendation by the SHA, except that no action shall be required to make changes required by laws of the United States or the State of Illinois or any rules, regulations and policies enacted, enforced or promulgated by the United States Department of Housing and Urban Development, all of which shall take precedence over the herein expressed Policies. The SHA Board of Commissioners will be notified of any subsequent changes that may be effective through new Federal regulations.

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## Section II. PROGRAMS OF THE SPRINGFIELD HOUSING AUTHORITY

### A. Overview

The Springfield Housing Authority was created in 1938 in response to a growing need for decent, safe and affordable housing for the low-income families of this community.

Currently, the SHA is involved in administering two (2) programs with a total budget exceeding \$10 million. These two programs are:

- \* LOW RENT PUBLIC HOUSING PROGRAM
- \* HOUSING CHOICE VOUCHER

This Administrative Plan concerns the administration of the HCV program only.

The staff is responsible for the day-to-day operations of the Authority's programs. The Executive Director is appointed by the Board of Commissioner's with the responsibility for ensuring that Board policy is relayed to staff and that operations are carried out consistent with Board directives and in keeping with the Federal statute and regulations promulgated by the U.S. Department of Housing and Urban Development (HUD).

### B. Description of Programs

#### 1. Housing Choice Voucher

The HCV Program provides subsidies to low-income persons to enable them to rent affordable, decent, safe and sanitary housing.

#### 2. Moderate Rehabilitation

The Moderate Rehabilitation Program provides funding for rehabilitation of units as an incentive to property owners to maintain their housing stock in decent, safe and sanitary condition by providing subsidies for low-income persons in these units.

#### 3. Project-Based Vouchers

Under the Project-Based Voucher Program, HCV housing assistance is attached to the units. The primary objectives of the program are to upgrade the existing rental housing stock or support new construction and make units available to low-income families at rents within the HCV Fair Market Rent level.

Vouchers provided under the Family Unification or HUD-VASH programs may be project-based subject to the same requirements as other vouchers. (Section 106, modifying HCV (o)(13) of the U.S.H.A.)

In order to further meet the housing needs of special needs populations through the project-based voucher program (i.e. permanent supportive housing, specific court-based management programs (drug court, mental health court, etc.), and through provisions set forth in 24 CFR 982.553, the SHA may allow alternate eligibility criteria relative to criminal history if the PBV development offers on-site, supportive services to the families served. Project-based vouchers competitively awarded to developments with on-site, supportive services may request reduced

criminal history eligibility criteria in order to meet the housing needs of special needs populations. Screenings for lifetime sex offender status and convictions of drug-related activity for manufacture or production of methamphetamine on the premises of federally assisted housing must continue and are not waivable.

4. New Construction

As contract administrator, SHA complies with all applicable HUD regulations as prescribed in HUD handbook 4350.5. No new construction programs. As of the date of this revision the SHA does not administer a new construction program. As such, no policies related to this program are included in this Administrative Plan.

5. Family Unification Program

This program is designed to provide housing assistance to families for whom the lack of adequate housing is a primary factor in the separation or imminent separation of children from their families.

FUP eligibility is extended to former foster care youth up to age 24 and to otherwise eligible youth who will leave foster care within 90 days and are homeless or at risk of homelessness. Youth who have left foster care may receive assistance up to 36 months. After 36 months, youth who are no longer eligible for a FUP voucher will be issued an HCV voucher and absorbed in the HCV program without being placed on the HCV waiting list.

6. Mainstream Voucher Program

The Mainstream Voucher Program will assist the SHA and non-profit disability organizations in providing housing assistance to households with non-elderly, adult family members who have a disability.

7. HCV Homeownership Program

The HCV Homeownership Program will assist eligible families realize the possibility of homeownership by providing assistance with obtaining financing, subsidy for a period not to exceed 15 years and down payment assistance.

8. Veterans Affairs Support Housing (VASH) Program

The HUD-Veterans Affairs Supportive Housing (HUD-VASH) program combines Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). VA provides these services for participating Veterans at VA medical centers (VAMCs) and community-based outreach clinics.

9. Non-Elderly Persons with Disabilities (NED) Program

The Non-Elderly Persons with Disabilities Program will assist non-elderly persons with disabilities currently residing in nursing homes or other healthcare institutions transition into the community.

10. Enhanced Vouchers

If units lose their assistance as a result of a housing conversion action, this affects families who live in the units and are assisted under the HAP contract. In order to protect such families, HUD issues them housing choice vouchers. Some conversion actions result in issuing regular housing choice vouchers to the affected tenants. Other conversion actions result in issuing enhanced vouchers. In either case, these are considered “special admission vouchers” because the families who receive them are not selected from the waiting list.

11. Rental Assistance Demonstration (RAD) Program

The Rental Assistance Demonstration Program was designed to preserve and improve public and other assisted housing. The conversion of Public Housing units is intended to promote operating efficiency by using HCV project-based assistance. The RAD program aligns eligible properties more closely with other affordable housing programs, attracts private market capital for property renovations, and increases tenant mobility opportunities.

12. Emergency Housing Vouchers (EHVs)

The Emergency Housing Vouchers are to assist individuals and families who are experiencing homelessness; at risk of experiencing homelessness; fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or were recently homeless and for whom providing rental assistance will prevent the family’s homelessness or having high risk of housing instability.

After September 30, 2023, SHA may not reissue the Emergency Housing Vouchers when the assistance for an assisted family ends. After one year of receiving assistance under the Emergency Housing Voucher program, the family will be issued a HCV voucher and absorbed into the HCV program without being placed on the HCV waiting list.

The SHA will operate a voluntary Emergency Housing Voucher program by designating forty (40) of its tenant-based Housing Choice Vouchers to be issued annually, based upon voucher availability, to individuals and families who meet the EHV criteria noted above.

13. Relocation Vouchers

The Springfield Housing Authority, when applicable, will designate tenant-based Housing Choice Vouchers for the relocation of public housing residents when it is replacing public housing units removed through Section 18, substantial rehabilitation to public housing units, RAD conversions, etc. Relocation Vouchers are a resource to assist households who are being displaced by a public housing action. [24CFR970.21]

**Special Note:** The Quality Housing and Work Responsibility Act of 1998 eliminated the requirement of Housing Authorities to expand their Family Self-Sufficiency Program when in receipt of new Public Housing units or HCV Vouchers on or after October 21, 1998. Any new Public Housing units or HCV Vouchers received after said date will not affect the FSS Program size.

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**Section III. ROLES AND RESPONSIBILITIES OF KEY PROGRAM PLAYERS****A. Overview**

1. To administer the Housing Choice Voucher Program, the Housing Authority enters into contractual relationships with three parties: HUD, the owner and the family.
2. The roles and responsibilities of HUD, the Authority, the owner and the family are defined in the Federal regulations and in the legal documents which the parties execute in order to participate in the program.

**B. The Role of HUD**

1. HUD has four major responsibilities:
  - a. Develop policy, regulations, Handbooks, Notices and other guidance which interpret housing legislation.
  - b. Allocate housing assistance funds.
  - c. Provide technical assistance and training to SHA.
  - d. Monitor SHA compliance with program requirements and production goals.
2. HUD's responsibilities for the HCV Program, Project Based Voucher, Moderate Rehabilitation and other HCV Programs and are primarily defined in 24 CFR Parts 5, 882, 883, 887, 982 and 983 of the Federal Regulations, and in the Annual Contributions Contract (ACC).

**C. The Role of SHA**

1. The SHA serves as contract administrator for HUD and has six broad areas of responsibility:
  - a. Establish local policies;
  - b. Determine applicant eligibility and issue vouchers;
  - c. Certifies and recertifies tenants;
  - d. Approves units and leases;
  - e. Pays Housing Assistance Payments (hereinafter referred to as HAP) to owners;
  - f. Monitors program performance and compliance with Federal and local rules.
2. The SHA complies with all Fair Housing and Equal Opportunity requirements, HUD regulations and requirements, the Annual Contributions Contract, HUD approved applications for funding, the SHA's Administrative Plan and other applicable federal, state and local laws.

3. The SHA does not act as the landlord, as it does in the Public Housing Program (e.g., the Authority is not responsible for tenant selection, screening or evictions).
4. The responsibilities of the Authority are defined in the ACC, the Voucher, the HAP Contract, and in 24 CFR Parts 5, 812, 882, 982 and 983.
5. The SHA is not the owner of the property rented or sought to be rented, nor is the SHA a tenant in the property participating in the HCV Program. Accordingly, the SHA is not liable or responsible, as a tenant or a landlord.

**D. The Role of the Owner**

1. The owner has the following major responsibilities:
  - a. Tenant selection and leasing.
  - b. Compliance with Voucher Subsidy Contract and/or Housing Assistance Payment (HAP) Contract.
  - c. Compliance with all applicable fair housing laws.
  - d. Normal landlord functions during the lease term (e.g. maintenance, rent collection, etc.).
  - e. Compliance with program lease.
  - f. Cooperation with the Authority in annual inspection and reexaminations. Maintenance of the unit under contract in accordance with the National Inspection Standards for Real Estate (NSPIRE).
2. The responsibilities of the owner are further defined in the HAP contract and in 24 CFR parts 982.

**E. The Role of the Family**

1. The family has the following major responsibilities:
  - a. Provides income and family information needed to permit the Authority to verify and certify eligibility and calculate rent.
  - b. Searches for housing.
  - c. Pays tenant portion of the rent and adheres to lease and "Housing Choice Voucher" requirements.
  - d. Cooperates with the Authority in annual inspections and reexaminations.
2. Family obligations are defined in, the Housing Voucher, the Lease, and in 24 CFR Parts 5, 882, 887, 982 and 983.



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**F. Key Program Documents****1. Annual Contributions Contract (ACC)**

- a. A single ACC Part I is executed by the Authority and HUD for all HCV projects.
- b. The ACC translates provisions of housing legislation into contractual obligations and responsibilities of HUD and the Authority.
- c. Part II specifies responsibilities of the Authority with regard to HUD program rules, financial management, civil rights, equal opportunity and conflict of interest requirements.

**2. Housing Choice Voucher**

- a. The Voucher authorizes the family to look for a unit.
- b. The Voucher is executed by the SHA and family.
- c. The Voucher has a 60-day term with extension(s) possible for up to an additional 60-day period.
- d. The Voucher specifies SHA and family rights and responsibilities during the period of the family participation.

**3. Housing Choice Voucher Addendum**

- a. Used as an attachment to the Housing Choice Voucher.
- b. Indicates appropriate and inappropriate assisted household member behavior and consequences for said behavior.

**4. Housing Assistance Payment (HAP) Contract**

- a. The HAP Contract is executed between the Authority and the owner.
- b. The Contract specifies rights and responsibilities of the owner and the Authority.
- c. The Authority agrees to pay Housing Assistance Payment to the owner in return for owner compliance with program rules.
- d. The HAP Contract term is the same as the lease.
- e. The monthly HAP paid by the SHA to the owner is determined by the SHA in accordance with HUD regulations and other requirements. The amount of the Housing Assistance Payment is subject to change during the HAP Contract term.
- f. The total of rent paid by the tenant plus the SHA Housing Assistance Payment to the owner may not be more than the contract rent charged by the owner. Owner must immediately return any excess payment to the SHA.

- g. The amount of rent to owner which is paid by the tenant may not be more than the contracted rent charged by the owner minus the SHA Housing Assistance Payment to the owner.
- h. Owner may not demand or accept any additional rent or other payments from the tenant in excess of the maximum amount (indicated in g above) and must immediately return any amounts in excess of the total tenant payment received from the tenant back to the tenant.
- i. Families are not responsible for payment of the portion of rent to owner covered by the Housing Assistance Payment under the HAP Contract between the owner and the SHA.

5. HCV Lease Addendum

- a. Contains HUD required and prohibited lease provisions.
  - i. Required provisions are the special Federal rules related to the HCV Programs.
  - ii. Prohibited provisions are generally practices which have been determined illegal by the courts.
- b. Can be used as an attachment to an owner's lease (superseding any conflicting lease provisions) or incorporated into the Authority's model lease.

6. The Administrative Plan

- a. Describes how the SHA is organized to carry out the program requirements.
- b. Specifies the Authority's policies in areas where the Authority has discretion.
- c. Must be updated when policies are changed.

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## Section IV. PROGRAM ELIGIBILITY

### A. Statement of Approach

SHA staff involved in determining applicant eligibility will use the guidelines and procedures prescribed by HUD and in effect at the time that the actual offer of assistance (under the Housing Choice Voucher Program) is made to the family for purposes of making a final determination of household eligibility.

This policy recognizes that HUD in accordance with Congressional rule making can change the rules even after applicants have been given a determination of preliminary eligibility. SHA staff must process the household based upon rules in effect at the time of processing the application.

The Authority assumes full responsibility for ensuring that staff is knowledgeable in certification/recertification requirements, and other HUD factors impacting eligibility and family participation.

### B. Eligibility Criteria

To be eligible for admission, an applicant must meet the following criteria:

#### 1. The Applicant Must Qualify as a Family

In addition to the definitions set forth in 42 United States Code, Section 1437 (a) relating to HCV Programs, a family is defined as and is included but not limited to the following, regardless of actual or perceived sexual orientation, gender identity or marital status:

A single person who may be:

- An elderly person, displaced person, disabled person, near elderly person, or any other single person.
- An otherwise eligible youth who has attained at least 18 years of age and who 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 (42 USC 675(5)(H) and is homeless at age 16 or older;

A group of persons residing together, and such group includes, but is not limited to:

- A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
- An elderly family;
- A disabled family;
- A displaced family; and
- The remaining member of a tenant family.

2. The Applicant Must Be Income Eligible

The applicant's total family income must not exceed the Very Low-Income Limit (50% of area median income) published in the Federal Register for the Sangamon County Metropolitan Statistical Area. The HA's current income limits are contained in Appendix 2. Income limits will, at all times, be posted in the HCV Office. Income limits are generally revised annually by HUD and changes in income limits are incorporated into this policy by reference.

HUD rules allow admission of Low-Income families (80% of area median income) in limited circumstances, including:

- a. when a family qualifies as continuously assisted under the 1937 Housing Act. Families are considered to be continuously assisted if they were previously assisted in subsidized housing under the 1937 Housing Act within 90 days prior to issuance of a Voucher;
- b. when a family is physically displaced by rental rehabilitation activity under 24 CFR part 511;
- c. when a non-purchasing household resides in a HOPE 1 (public and Indian homeownership) or HOPE 2 (multifamily homeownership) projects;
- d. when a non-purchasing household resides in a HUD assisted multifamily project subject to a resident homeownership program under the Code of Federal Regulations Title 24 CFR 982.201.; or
- e. when a family is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 982.201.
- f. when a low-income family residing in a HUD-owned multifamily rental housing project when HUD sells, forecloses or demolishes the project.

The applicant must meet HUD requirements on Asset Limitation for New Admissions. The applicant's net family assets shall not exceed \$100,000 (adjusted annually for inflation) and/or the family shall not have a present ownership interest in, a legal right to reside in, and the effective legal authority to sell the real property (based on laws of the state or locality in which the property is located) that is suitable for occupancy by the family as a residence [24 CFR 5.618].

3. Need for Assistance

Families must demonstrate the need for assistance, specified as follows:

- a. *Housing Choice Voucher.* The family must not pay more than 40% of adjusted income for rent when the family first receives HCV tenant-based assistance.
- b. *Moderate Rehabilitation and Project Based Vouchers.* The Total Tenant Payment must not equal or exceed the Gross Rent for the unit the family would be assigned. Need defined in this way may vary from project to

project, based on the various Gross Rents for the same unit size.

4. The applicant and each family member who has been assigned a Social Security Number (SSN) must disclose the SSNs. These numbers must be verified. If the individual is not able to provide documentation of SSN, the SHA may accept self-certification of SSN along with a third-party verification (i.e. bank statement or cell phone bill) displaying the name of the individual. If an SSN has not been assigned, certification to that effect must be executed for all family members.
5. The applicant, or any adult family member, must not have committed fraud in connection with any federal housing assistance program, with exception to the HUD-VASH and Emergency Housing Voucher programs.
6. The applicant and each family member must be a U.S. citizen or noncitizens who have eligible immigration status.
7. The applicant family must not maintain another residence in addition to the HA unit.
8. The applicant family must provide an executed HUD Consent Form (Form HUD-9886). The executed consent form will remain effective until the family is denied assistance, the assistance is terminated or the family provides written notification to the SHA to revoke consent. Families have the right to revoke consent by notice to the SHA; however revoking consent shall result in termination or denial of assistance. The SHA is required to notify the HUD Chicago Field Office when an applicant or participant family member revokes consent.
9. Prior Housing History  
  
Neither the applicant nor any member of the participant family who has been evicted and/or removed from Public Housing, Indian Housing, Section 23, or any HCV Program because of drug-related criminal activity, violent criminal activity or actions that threaten the health, safety, or right to peaceful enjoyment of the premises by other tenants, Housing Authority employees or others residing in the immediate vicinity of the premises, within the last **five years** beginning on the date of the eviction, will be eligible for the HCV Program, with exception to the HUD-VASH and Emergency Housing Voucher programs.
10. Outstanding Debts  
  
The family must have paid any outstanding debt owed to the HA or another HA on any previous tenancy in Public Housing or HCV, with exception to the HUD-VASH and Emergency Housing Voucher programs.

### **C. Eligibility Restrictions Regarding Noncitizens**

1. As required by HUD (24 CFR 5 subpart E), eligibility for assistance or continued assistance under a Section 214 program, such as HCV, is contingent upon a family's submission of documentation either declaring U.S. citizenship or eligible immigration status. The SHA requires both current tenants and applicants to submit the required citizenship or eligible immigration documentation for every household member in order to receive or continue to receive housing assistance.

Documentation is required of all new admissions at the time an application is processed by the Housing Authority. Any current tenant who has not already provided documentation will be required to document citizenship or immigration status at the next reexamination. It is necessary to provide this information only one time for each family member during continued occupancy at the SHA. Whenever a new family member is added, documentation must be provided before the new member can be added to the lease.

2. Proof of citizenship will take the following form

- a. For families claiming U.S. citizenship, each applicant or participant family member will sign the citizenship declaration form and present appropriate documentation (such as U.S. passport, resident alien card, social security card, or other appropriate documentation) which will become a permanent part of the tenant file. Adults will be required to sign on behalf of all children under the age of eighteen years.
- b. Non-citizens age 62 years or older who are current participants or applicants will be required to sign a declaration of eligible immigration status and proof of age.
- c. Participants and applicants who are noncitizens declaring eligible immigration status must:
  1. Sign a declaration of eligible immigration status;
  2. Provide the required U.S. Immigration and Naturalization Service documents, such as Alien Registration Receipt Card, Arrival/Departure Record, Temporary Resident Card, Immigration and Naturalization Service (INS) receipt in the event of any lost or missing cards listed above; and
  3. Sign a verification consent form.

The SHA has the right to deny, terminate or adjust housing assistance if members of any household are found to be noncitizens with ineligible immigration status; however, this determination will not take place until all appeal rights requested have been exercised by the household. The SHA may grant time extensions to provide appropriate information, provided that the household shows a diligent effort in obtaining immigration status documents.

3. The SHA may not make assistance available to a family applying for assistance until at least the eligibility of one family member has been established, and assistance must be prorated based on the number of individuals in the family for whom eligibility has been affirmatively established.
4. The SHA may not delay, deny, reduce or terminate eligibility of an individual for assistance on the basis of the immigration status of the individual. The family will not be penalized for delays on the part of those entities which must verify eligible immigration status.
5. Continued assistance provided to an eligible mixed family after November 29,

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1996 will be prorated based on the percentage of family members that are eligible for assistance.

6. The SHA is required to suspend assistance for a period of at least 24 months to a family upon determining that the family has knowingly permitted an ineligible individual to reside on a permanent basis in the family's unit. This provision does not apply if the ineligible individual has already been considered in calculating any proration of assistance for the family.
7. If the SHA discovers that citizenship information provided is expired, fraudulent, or otherwise invalid, it will notify the family or individual of the results of these findings. The family or individual will then have 30 days from the date of the notification to file an appeal with the INS to correct the problem. The family or individual must provide the Housing Authority a copy of the appeal request to the INS, which will become a permanent item in the tenant file. The SHA can extend this 30-day appeal period at its sole discretion if good cause is found.
8. Any applicant or participant family affected by these provisions has the right to an Informal Review provided the family notifies the SHA within 5 days of the action or decision the family wishes to appeal. All appeals will be conducted in accordance with the provisions of the SHA's Grievance Procedure.
9. In accordance with Federal rules, mixed families who were participants in the SHA's HCV program on June 19, 1995, are permitted to receive continued assistance provided that either the head of household or spouse have eligible immigration status and any ineligible family members are either the head, spouse, parents, or children of the head or spouse.
10. Families who were participants in the SHA's HCV program on June 19, 1995 but became ineligible for housing assistance because there are no family members with eligible immigration status may be given a temporary deferral of assistance to transfer to other housing at the discretion of the Housing Authority. If the temporary assistance is provided, it will be offered in six-month increments and never for longer than a total of 18 months. The maximum period for deferral granted prior to November 29, 1996 will be three years.
11. Families that no longer qualify for housing assistance due to their citizenship status may apply for prorated assistance to decrease the level of housing assistance provided to the household based on the ratio of eligible and ineligible persons in the household.
12. Rental housing assistance is prohibited to noncitizen students and their families. None of the provisions of the rules related to prorated assistance, continued assistance, or temporary deferral of termination of assistance applies to noncitizen students. This prohibition does not include citizen spouses and their children.

#### **D. Ineligibility Because of Prior Eviction and/or Removal for Drug-Related Activity**

1. Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance. Pursuant to federal law, persons evicted from public housing, Indian housing, Section 23, or any HCV program because of drug-related criminal activity

are ineligible for participation in any HCV program at SHA for a five-year period beginning on the date of such eviction.

2. Individuals convicted of manufacturing or producing methamphetamine are ineligible for housing assistance in all HCV and Moderate Rehabilitation Programs. The Springfield Housing Authority will terminate assistance of any person(s) convicted of manufacturing methamphetamine on the premises of an assisted housing project.
3. The SHA may waive this restriction if the applicant can demonstrate to the satisfaction of the SHA that:
  - a. the person successfully completed a rehabilitation program approved by SHA, or
  - b. the circumstance(s) leading to the eviction no longer exists. For example, the person involved in drugs and responsible for the eviction is no longer part of the household.

#### **E. Screening out Illegal Drug Users and Alcohol Abusers**

1. The SHA will prohibit the admission to HCV programs of any person who the SHA determines is illegally using a controlled substance, with the exception

The SHA will also prohibit admitting any person to HCV programs in cases where the SHA determines that there is reasonable cause to believe that 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.

SHA will prohibit admitting any person to HCV programs in cases where the SHA determines that there is reasonable cause to believe that the person's pattern of illegal use of a controlled substance or pattern of abuse of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

This requirement does not apply to applicants of the HUD-VASH or Emergency Housing Voucher programs.

2. The SHA will waive the policies prohibiting admission in these circumstances if the person demonstrates to the SHA's satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and:
  - has successfully completed a supervised drug or alcohol rehabilitation program;
  - has otherwise been rehabilitated successfully; or
  - is participating in a supervised drug or alcohol rehabilitation program.

#### **F. Special Eligibility Provisions Relating to Applicants Requiring a Live-In Aide:**

1. Some applicants and participants who would not otherwise be able to fully discharge the responsibilities of tenancy may be able to do so with the assistance



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of a live-in aide residing in the unit.

A Family may include a live-in aide who:

- a. Has been verified in writing by a reliable, knowledgeable professional, such as a doctor, social worker or caseworker to the SHA and is determined to be essential to the care and well-being of the elderly or disabled family member; and
- b. Is not obligated for the support of the elderly or disabled family member; and
- c. Would not be living in the unit except to provide care of the elderly or disabled family member; and
- d. Whose income will not be counted for purposes of determining eligibility or rent; and
- e. Who may not be considered the remaining member of the Tenant family.
- f. A live-in aide's family members may also reside in the unit provided it does not increase the subsidy by the cost of an additional bedroom and provided that the presence of the live-in's family members does not overcrowd the unit.
- g. The SHA will not approve a particular person as a live-in aide, and may withdraw such approval if:
  - The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
  - The person commits drug-related criminal activity or violent criminal activity; or
  - The person currently owes rent or other amounts to the SHA or to another PHA in connection with HCV or Public Housing assistance under the 1937 Act.

## **G. Additional Eligibility Factors**

An applicant **may** be denied assistance by SHA for the following reasons, except for applicants of the HUD-VASH or Emergency Housing Voucher programs:

1. If any family member has ever been evicted from Public Housing for a five-year period beginning on the date of such eviction or termination.
2. If a HA has ever terminated assistance under the HCV program for any member of the family for a five-year period beginning on the date of such eviction or termination.
3. If any member of the family commits drug-related criminal activity, or violent criminal activity; or actions that threaten the health, safety or right to peaceful enjoyment of the premises by other tenants, HA employees or others residing in the immediate vicinity of the premises.

- a. Denial because of illegal use, or possession for personal use, of a controlled substance, such use or possession which occurred within the last year.
  - b. SHA may deny assistance if the preponderance of evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested or convicted.
  - c. SHA may consider evidence of rehabilitation in determining whether there is "reasonable cause" to deny assistance.
4. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
5. If the family has engaged in or threatened abusive or violent behavior toward SHA personnel.
6. If any family member refuses to sign and submit mandatory consent forms.
7. If evidence of citizenship and eligible immigration status is not submitted by a specified date, or by the expiration of any extension granted.
8. If INS primary and secondary verification does not verify eligible immigration status of at least one family member.
9. If the family has not reimbursed any housing authority for amounts paid to an owner under a HAP Contract for rent, damages to the unit, or other amounts owed by the family under the lease.
10. HCV **shall not** be available to applicants and/or members of their households who have been convicted of any misdemeanor criminal activity within the past three (3) years and convicted of any felonious criminal activity within the past seven (7) years. The criminal activity shall include, but not be limited to, any of the following serious misconduct:
  - a. Illegal use, possession, manufacture or sale of a firearm or other weapon or the threat to use an illegal firearm or other weapon;
  - b. Illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute or use of a controlled substance, unless such controlled substance was obtained pursuant to a valid prescription issued by a licensed medical practitioner;
  - c. Sexual molestation, rape, debauchery of a minor, indecent exposure, prostitution, child pornography, sexual or physical abuse, neglect, child abandonment, and other similar or related serious crimes;
  - d. Arson;
  - e. Any individual that is in a current "wanted" status will be denied;

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**H. Eligibility Factors for HUD-VASH and Emergency Housing Vouchers**

An applicant of the HUD-VASH and Emergency Housing Voucher program will be denied assistance by SHA for the following reasons:

1. If any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
2. If any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.
3. If the SHA determines that any household member is currently engaged in, or has engaged in within the previous twelve (12) months:
  - a. Violent criminal activity; or
  - b. Other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity.

Applicants denied under the above categories will have the opportunity to request an informal review (see Section V, Application for Admission, E., Informal Review).

**I. Eligibility Factors for Project-Based Vouchers – Special Needs Populations**

In order to further meet the housing needs of special needs populations through the project-based voucher program (i.e. permanent supportive housing, specific court-based management programs (drug court, mental health court, etc.), and through provisions set forth in 24 CFR 982.553, the SHA may allow alternate eligibility criteria relative to criminal history if the PBV development offers on-site, supportive services to the families served. Project-based vouchers competitively awarded to developments with on-site, supportive services may request reduced criminal history eligibility criteria in order to meet the housing needs of special needs populations. Screenings for lifetime sex offender status and convictions of drug-related activity for manufacture or production of methamphetamine on the premises of federally assisted housing must continue and are not waivable.

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## **Section V. APPLICATION FOR ADMISSION**

### **A. Introduction**

The SHA will accept applications for the HCV Programs when the waiting list is open. Interested persons may apply for participation in the SHA's HCV programs by completing an application form. Anyone may apply; the SHA will not deny anyone the right to submit an application when the waiting list is open. All applications will be time and date stamped upon receipt.

Accommodations will be made for interested applicants who may be a person with a disability. All applicant households will be offered the opportunity to apply for public housing, if the waiting list is open. The SHA may conduct a telephone interview and mail the application to the applicant or otherwise provide the applicant with a reasonable accommodation consistent with Section 504 of the Americans with Disabilities Act.

Each applicant is responsible for informing the Housing Authority if the family's address or phone number changes or if there are any changes in the members of the household. Failure to do so may result in an application being withdrawn from the active waiting list. Inability of Housing Authority to contact the family will result in the withdrawal of the application.

### **B. Program Outreach**

The SHA will target 75% of new Voucher admissions to families with an annual income below 30% (very poor families).

#### **1. Outreach to Families**

The SHA reserves the right to open or close the waiting list based on the supply of applicants. The waiting list will be closed when there are not enough HCV subsidies to assist all the applicants in a reasonable period of time, such as one or two years. When the SHA determines that additional applicants are needed, the waiting list will be reopened. The Authority will publicly advertise the closing and reopening of application intake periods in local newspapers.

When the waiting list is to be reopened, the Housing Authority will clearly state in the public announcement the procedure used to determine the position of each applicant on the waiting list.

To reach possible applicants from all backgrounds, the SHA will advertise through a wide variety of sources including local and State newspapers, minority media, minority civic clubs, service agencies and broadcast media. An effort will also be made to notify agencies which specifically address the needs of individuals with handicaps. The SHA will continuously monitor and evaluate outreach activities to ensure that the widest possible audience is reached.

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

- The dates the list will be open;

- The office hours and location where applications are available and will be accepted;
- The availability of Vouchers;
- Eligibility guidelines;
- Preferences for the selection of applicants (as applicable); and
- Any limitations which may apply.

## 2. Outreach to Property Owners

Outreach to property owners will be conducted on an ongoing basis to interested property owners to increase the number of units available in low-poverty areas. The SHA will notify and provide program information to local realtors, agents, apartment associations and any interested landlords. SHA staff will be available to make presentations about the HCV Program to these groups. In addition, printed materials which describe the program requirements and opportunities for property owners will be made available. The SHA maintains a list of interested property owners and units available for the HCV Program. As inquiries from prospective new property owners are received, staff records the necessary information about units and make it available to prospective tenants upon request.

The SHA will make a concerted effort to contact and encourage local property owners with units specially designed or adapted for persons with disabilities, and those who may be willing to adapt units, to participate in the program. Notices shall be sent to landlords presently participating, landlords that have participated in the past, local real estate agencies, and to local social service agencies that specifically address the needs of clientele who may be a person(s) with a disability.

Whenever the SHA is informed by a local property owner of a unit available for the program, the SHA shall inquire as to whether the unit is accessible and the extent of accessibility.

### Landlord Leasing Incentives [MTW Waiver Effective January 1, 2024]

Vacancy Loss: To incentivize a landlord's continued participation in the HCV program, the SHA will make additional payments to the landlord in accordance with the following:

- Payments made to the landlord must be equal to no more than one month of the contract rent;
- The payment must be made to the landlord when the next HAP contract is executed between the owner and the SHA and not before the next HAP contract is executed between the owner and the SHA.

Other Landlord Incentives: In order to incentivize new landlords to join the HCV program, the SHA will provide incentive payments to landlords leasing properties in high opportunity neighborhoods or in areas located where vouchers are difficult to use in accordance with the following:

- Payments made to the landlords must be equal to no more than one month of the contract rent; and
- Payment must be made to the landlord when the HAP contract is executed between the owner and the SHA and not before the next HAP contract is executed between the owner and the SHA.

### 3. General Outreach for the HCV Programs

The SHA will provide outreach for the HCV Programs through the following activities including but not limited to:

- a. advertising on a regular and ongoing basis in newspapers (both major and minor publications), church bulletins, community publications and any other sources of print media that are likely to be read by the target market for these services;
- b. announcing available services along with contact information on local cable access channels and radio stations;
- c. arranging for speakers to make regular presentations to social service agency staff and clientele, banks, church personnel, staff and volunteers at shelters and sources of assistance for needy families (i.e. Salvation Army, Goodwill, etc.) regarding available services and necessary qualifications for the HCV Programs;
- d. maintaining relationships with landlords and realtors in the area to ensure awareness regarding the HCV Programs;

## C. **Applications**

### 1. Receipt of Applications

Applications for HCV assistance will be taken in person at the SHA main office, or can be picked up and returned, completed, signed and dated by the head of household in person at:

Springfield Housing Authority – Housing Choice Vouchers  
200 N 11th St  
Springfield, IL 62703

SHA will also mail out applications upon request, during enrollment periods as a reasonable accommodation consistent with Section 504 of the Americans with Disabilities Act.

In addition to an application, the applicant will receive written instruction(s) for completing the application, and a reference list detailing the documents needed to verify eligibility. Applications **WILL NOT** be accepted without all appropriate documentation attached. Applicants and adult family members are required to provide the SHA with a signed release form authorizing the SHA to obtain information concerning the applicants (and adult family members) record, if any, of arrest/conviction with criminal background. **Failure to sign and provide SHA the release form will make an applicant ineligible for housing assistance at the**

## **Springfield Housing Authority.**

SHA will coordinate efforts with other community resources/agencies to compile information relative to an applicant's suitability for HCV Programs. A review of criminal history reports (including arrests and convictions, if any, and if this information is available to the SHA), and other information of all applicants including, but not limited to, information provided by the Springfield Police Department, Springfield Housing Authority Security Department and/or any other law enforcement agency, landlord, and social services organizations.

### **2. Processing Applications for Admission**

The date and time of receipt of the application will determine position on the waiting list, **except** the applicants eligible for local preferences or special grant funds are placed ahead of others as explained in Section VI, Applicant Section, B., Order of Selection from the Waiting List.

- a. **Content of the Application Form:** Applications for any HCV program must be in writing on a form provided by SHA. At a minimum, the application will require the family to supply:
  - 1) names;
  - 2) ages;
  - 3) description of relationship of household members to one another;
  - 4) anticipated income of all adult members of family age 18 and over (including disclosure of any benefit or non-earned income of dependents);
  - 5) current assets of all family members;
  - 6) listing of all assets disposed of in two- year period preceding date of application (where total value of asset was greater than \$1,000.00);
  - 7) description of expense items such as child care, disabled assistance expense, and medical (for elderly and disabled families only);
  - 8) other information determined to be necessary as determined by the Authority.
- b. **Applicant Interview:** Applicants shall be interviewed by SHA staff and the application process for HCV will be explained. The interview shall include an overview of the following:
  - 1) application;
  - 2) documents to verify eligibility;
    - a. certified birth certificates for each family member
    - b. Social Security cards for each family member
    - c. State Issued photo identification for all family members over the age of 18
  - 3) acquisition of arrest, conviction, and signed release form for criminal background history report(s), if any;
  - 4) preference point system; (as applicable)
  - 5) waiting list (position number and movement of the waiting list); and
  - 6) notification of briefing (if known).



- c. **Completion and Review of Application:** It is the responsibility of the applicant to accurately and completely fill out the application. The application will be reviewed by staff for completeness, legibility and accuracy to ensure that all necessary information is included and the application is signed by the applicant. A preliminary determination of program and preference eligibility will be made based upon but not limited to information provided by the household on the application. If for some reason, this initial information is insufficient or unclear, SHA staff will make reasonable efforts to contact the applicant and inform him/her of the additional information required. Reasonable efforts shall not exceed one letter or, if no address is provided, two telephone calls. A record of those efforts shall be maintained with the application.
- d. Applicants of the HUD-VASH program must be referred directly from Department of Veteran Affairs. Applicants of the Emergency Housing Voucher program must be referred directly from the Continuum of Care CE System. Referrals must be received prior to accepting applications for these programs.

For Emergency Housing Vouchers, the SHA must also take direct referrals from outside the CoC CE System if

- The CE System does not have a sufficient number of eligible families to refer to the SHA, or
- The CE System does not identify families that may be eligible for EHV assistance because they are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking.

#### **D. Placement on and Selection from the Waiting List**

All applicants will be placed on and selected from the Springfield Housing Authority's waiting list based on date and time of application and any local preference points as applicable.

##### **1. Preferences**

Each applicant will be provided with a description of all the SHA preferences and will be required to certify at the time of application whether the household qualifies for a preference. Placement on and selection from the waiting list will be based on applicant certification. All applications will be reviewed to determine if the applicant household qualifies for any of the Local "preferences". All such applications will be properly coded. All applicants claiming a preference shall have the preference points awarded at the time of application based on the certification of the applicant. However, all preferences shall be verified prior to the award of housing assistance. If the claimed preference(s) cannot be verified, the applicant will be returned to the waiting list based on the date and time of application but without the preference claimed.

##### **2. Screening of Applications**

Each application will require the applicant to certify that he/she has no outstanding

debts with SHA or any other PHA in connection with the HCV Existing Housing Program or Public Housing Program under the U.S. Housing Act of 1937—and Housing Opportunity Through Modernization Act (H.R. 3700, Pub. L. 114-201) as signed into law July 29, 2016, unless otherwise specified. Such parties can be denied the opportunity to receive a Voucher of Family Participation if there are monies owed under HCV "special" claims (damages, unpaid rent, and vacancy loss as past participant) or the family has committed fraud in connection with any Federal housing assistance program.

3. Establishing the Waiting List and Applicant Notification Procedures

Applications received will be reviewed for purposes of determining eligibility. If the applicant household meets the Very Low Income Limit as established by HUD for the Sangamon County (IL) area (except, in the limited circumstances in which a Low Income family is eligible, described above) and submits the required declarations for Social Security numbers and citizenship/eligible immigration status, the application will be determined eligible based on the information provided by the family and the family will be placed on the waiting list according to date and time of application and any local preference points as applicable.

- (i) Each eligible applicant will be advised in writing ("*Notice of Eligibility*") as applicable.
- (ii) Each applicant determined ineligible for HCV and denied placement on the waiting list, shall be notified in writing of the reason for his/her denial of placement on the waiting list or ineligibility and of his/her right to request, within five (5) business days, an Informal Review to discuss the HCV ineligibility determination. The review is to be held by an impartial hearing officer who will be a staff member appointed by the Executive Director. Any applicant determined eligible after the submission of additional information or through an Informal Review shall be placed on the waiting list according to the date and time of the original application. (See Section E below, for further discussion of Informal Reviews.)
- (iii) Waiting List Annual Update: In the interest of maintaining an accurate waiting list of eligible households, the SHA may annually mail requests to each applicant for updated household information. Each applicant will be required to respond within a special time frame which shall be no less than two weeks from the date the request was mailed to the applicant by the SHA. The application of any household which fails to respond to the update request by the specified deadline date will be withdrawn. Once an application is withdrawn, it may not be reactivated. To be considered for admission, the applicant will be required to reapply.
- (iv) Withdrawal: An applicant may withdraw his/her application at any time in writing. However, a withdrawn application cannot be reactivated. An applicant who has withdrawn an application will be required to reapply.
- (v) Applicant Needs to Comply with These Procedures: It is imperative that applicants follow all procedures prescribed in written communications by the Authority. Non-conformance will result in a determination of ineligibility based upon either or both SHA or HUD policies or directives, including need

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to notify SHA (in writing) of change of address, change in household composition, etc. Telephone notification is not sufficient.

- (vi) Returned Mail: Any mail sent by the SHA to an applicant which is returned by the United States Postal Service for any reason is grounds for automatic withdrawal from the waiting list.

#### 4. Verification of Eligibility and Preference Status

Final Eligibility Determination: Each applicant household shall be required to provide all information and authorizations necessary to enable HCV staff to determine program eligibility and to verify the applicant's qualification for preference status. Verification shall be from third party sources whenever possible. All verifications must be completed before the family is issued a Voucher.

- a. Each applicant household shall have an interview with a member of the HCV staff. If the applicant fails to attend the scheduled interview appointment, the applicant's file may be withdrawn and the applicant will be required to reapply.
- b. The Authority shall require the applicant to:
  - (i) Provide verification of income, assets, exclusions and deductions from income; and preferences claimed;
  - (ii) Provide verification of family size, age and relationships;
  - (iii) Disclose the Social Security Numbers of all family members;
  - (iv) Provide certification and/or documentation regarding U.S. citizenship/non-citizenship.
- c. The applicant is required to make available all pertinent information at his/her disposal to assist the Authority staff in verifying eligibility information and to authorize the release of information to the Authority when necessary. However, when the Authority has made all reasonable efforts to obtain information and the third-party source has failed to respond, the Authority shall proceed with the processing of the application by requiring the applicant to obtain the necessary information within a specified time period.
- d. All information relative to income for eligibility, assets, family composition, preference and non-citizen status will be verified and current for applicants within 60 days prior to issuance of a Voucher and verified and current for participants within 120 days for participants being recertified; all verified findings will be recorded in the applicant/tenant file.

To determine family composition, bedroom size required and eligibility for allowances, all applicants will be required to submit verification of all household members, such as certified birth certificates, custody and/or guardianship documents, verification from Social Security Administration, or other suitable documentation.

## 5. Third Party Verification

A release of information for verification of income (and other information) will be sent through the mail and/or via facsimile directly to the source. The method of verification is third party verification, and is the first method which must be sought.

If, after 10 calendar days, the verification has not returned to the SHA, a second and final notice will be sent with a ten (10) calendar day response time. If the verification has not returned to SHA, then a notice will be sent to the applicant/tenant affording them an opportunity to gather the information and return it to the SHA within ten (10) calendar days. If an unusual circumstance prevents this method, then, the following methods may be used:

- a. *Review of Documents:* SHA staff may review and verify documents provided by the client. This method of verification must be fully documented. Such documentation may include reports of interviews, letters or telephone conversations with reliable sources. At a minimum, such reports shall indicate the date, the source of information, including the name and title of the individual contacted, and a summary of the information received. The sources of information may include, but are not limited to, the applicant (by means of interviews), landlords, employers, family social workers, clinics or physicians where warranted by the particular circumstances.
- b. *Family Certification:* When a third-party verification or review of documents is not possible, the family may certify to their income. Such certification must be notarized.

## 6. Procedures for Suspension of Application-taking

Inasmuch as SHA does not maintain on-going enrollment, the last day of the advertised period of application-taking by the Authority will constitute the closing or suspension of application-taking. The closing date will be published at least four (4) weeks prior to closing in the local newspaper. Additionally, to ensure that all interested parties have adequate notice, the SHA will publish the closing date again, one week prior to closing and will attempt to advertise the closing on television and radio public service spots.

All walk-ins must be received by close of business on the last day. All applications received after this time period shall be rejected.

## E. **Informal Review**

1. SHA may at any time deny assistance for any applicant to its HCV programs or any recently issued Voucher holder for any of the reasons specified by HUD in the Code of Federal Regulations. Denial of assistance may include any of the following:
  - a. Denying listing on the waiting list;
  - b. Denying or withdrawing a Voucher;
  - c. Refusing to enter into a HAP contract or approve a lease; and

- d. Refusing to process or provide assistance under the portability procedures.
- 2. All families denied assistance will be notified in writing of the reason for the denial and of the right to request an Informal Review to discuss the denial.

A request for an Informal Review must be submitted within five (5) business days of the date of the "Notice of HCV Housing Denial" letter. The Authority shall notify the ineligible applicant of the time and date of the review. The review is to be conducted by an impartial Review Officer who will be a staff member appointed by the Executive Director who had no part in the ineligibility determination. The Review Officer will make a determination on the merits of the evidence presented. Within five (5) business days, a written decision will be mailed to the applicant and one copy will be retained in the applicant's file. If the ineligibility determination is overturned, and the family otherwise meets eligibility criteria, the family will be issued a subsidy at the next scheduled briefing session. If the decision is upheld the family will be denied assistance and withdrawn from the waiting list.

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## Section VI. APPLICANT SELECTION

### A. Introduction

Eligible applicants will be assigned to the waiting list according to date and time of application and preference status determined as described below in Section VI, D., Placement on and Selection from the Waiting List.

The Springfield Housing Authority has established a local preference system. Local preferences were adopted because they afford the agency the flexibility of designing an admissions program based upon the needs and circumstances of the local area. Preferences establish the order of applicants on the waiting list. An admissions preference does not guarantee admission.

The local preference system does not apply to applicants of the HUD-VASH and Emergency Housing Voucher programs.

The Springfield Housing Authority will maintain a waiting list for the HCV, Family Unification, Moderate Rehabilitation Housing, HUD-VASH, NED, Emergency Housing Vouchers, and other special grant programs inclusive of any preferences which may be required as a result of a federal, special or targeted grant population.

A local preference will be assigned a rating in order to be easily recognized. Applicants will qualify for a local preference if they meet the criteria set forth for a preference in this Section.

The Springfield Housing Authority shall inform all applicants of any preference system and provide them with the opportunity to show that they qualify for a preference. Applicants will be positioned on the waiting list based upon date and time of application as well as any preference(s) (as applicable).

### B. Assignment of Preference Points

1. Preference will be granted to applicants on the waiting list who are otherwise qualified and/or who, at the time of application processing, are verified to meet the definitions of the preference(s) described in this section. Preferences will not have the purpose or effect of delaying or otherwise denying admission to the program based on the race, color, sex, creed, national origin, religion, disability, familial status, sexual orientation, gender identity, marital status, age, or any other protected classification of any member of the applicant family. **(24 CFR 982.207)**
2. If an applicant's preference status changes while on the waiting list, the applicant's position on the list will be adjusted to reflect the change. The applicant will retain their original date and time of application.

### C. Withdrawal of Preference Points

If it is determined that an applicant does not meet the criteria for receiving a preference, the applicant will be placed back on the waiting list with no preference by original date and time of application and receive a written notice of this determination. The notice will contain a brief statement of the reasons for the determination and indicate that the applicant has the right upon written request within 5 business days to meet with a designee of the SHA for an

informal hearing. Denial of a preference does not prevent the applicant from exercising any legal rights the applicant may have against the SHA if he/she believes discrimination contributed to the denial of the preference. **(24 CFR 982.207)**

#### **D. Order of Selection from the Waiting List**

Applicants will be positioned on the waiting list based upon the number of preference points for which they are qualified, and date and time of application. Applicants who qualify for the highest number of preference points will be positioned ahead of those who qualify for fewer or no preference points on the waiting list. Preference points are not applied to applications for the HUD-VASH and Emergency Housing Voucher programs.

##### **1. Local Preference Definitions and Verification Procedures**

A local preference will be granted to applicants who have met the eligibility requirements outlined in previous sections of this Plan and who, at the time of submission of an application for housing, certify that they meet the guidelines of the local preference(s) as outlined below. The SHA elects to implement a Moving On limited preference for up to twenty (20) Housing Choice Vouchers/Mainstream/NED annually contingent upon funding availability:

- a. **Local Residency Preference:** Applicant households with a permanent physical residence in Sangamon County, Illinois. Eligibility for Local Residency Preference must be demonstrated by having a permanent physical residence within the jurisdictional area. Physical residence shall be defined as a domicile with a mailing address, other than a post office box, for which the applicant can produce one or more of the following: a lease or a purchase agreement, utility bills showing the claimed residence address, or two pieces of first-class mail addressed to a member of the applicant household at the claimed address. **(24 CFR 982.207) (25 points).**
- b. **Local Employment Preference:** Applicant households in which a member of the household (head, spouse or sole member) is currently employed in Sangamon County and/or who have been notified that they are hired to work in Sangamon County. Eligibility for Local Employment Preference must be demonstrated by third party employment verification. Applicants in Sangamon County where the head and spouse, or sole member is age 62 or older, or is a person with disabilities will also be awarded this preference. **(24 CFR 982.207) (30 points)**
- e. **Homeless Preference (Mainstream only):** Applicant households in which a member of the household (head, spouse or sole member) is non-elderly with a disability and transitioning out of institutional or other segregated setting, or at serious risk of institutionalization, or homeless or at risk of homelessness. **(24 CFR 982.207) (60 points)**
- f. **Moving On Preference:** Applicant households in which a member of the household (head, spouse or sole member) was homeless at admission to a permanent supportive housing program and meets the following criteria **(24 CFR 982.207) (60 points):**



- (i) Has successfully completed the requirements of the permanent supportive housing program; and
- (ii) is directly referred from the Continuum of Care.

Verification of Local Preference:

Certification verifying local residency preference can be in the following form:

- a. A lease or purchase agreement, utility bills showing the claimed residence address, or two pieces of first-class mail in the envelope addressed to a member of the applicant household at the claimed address.

Certification verifying local employment preference can be in the following form:

- a. Completion of a third-party Employment Verification and receipt of said verification directly from the employer indicated on the form; or
- b. Verification that the head, spouse, or sole member is 62 or older, or is a person with disabilities.

Certification verifying homeless preference can be in the following form:

- a. Third-Party verification from institutional setting or a homeless provider; and
- b. Verification that the head, spouse, or sole member is a person with disabilities.

Certification verifying moving on preference can be in the following form:

- a. Third-Party verification from Continuum of Care; and
- b. Verification that the applicant family has successfully resided in permanent supportive housing for the previous twelve-month period.

**E. Special Admissions**

1. Some family applicants will be admitted to SHA's HCV Program without ever being on the waiting list or without considering the applicant's place on the waiting list. This may occur when HUD has awarded funding to SHA for a targeted group of households living in specified units. This HUD-targeted funding may include (but is not limited to):
  - a. Families displaced because of demolition or disposition of a public or Indian housing project;
  - b. Families residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;
  - c. Housing covered by the Low-Income Preservation and Resident Homeownership Act of 1990;
  - d. Non-purchasing families residing in a project subject to a homeownership program;
  - e. Families displaced because of a mortgage prepayment or voluntary termination of a mortgage insurance contract;

- f. Families residing in a project covered by a project-based HCV HAP contract at or near the end of the HAP contract term; and,
  - g. Non-purchasing families residing in a HOPE 1 or HOPE 2 project.
2. Natural Disaster Assistance Policy (Board Approved 9/06). Families affected by officially-declared natural disasters will receive housing preference over other waiting list placeholders.
- Documents traditionally required by leasing staff for the processing of applications (driver's license, social security cards, birth records, etc.) may be provided by individuals/families as soon as possible during the initial six-month stay if the individuals/families cannot provide the information at the time of application.
  - All family members eighteen (18) years of age and older must complete and pass a criminal background check in accordance with Springfield Housing Authority HCV Administrative Plan.
  - Individuals shall be responsible for moving and all related costs, including but not limited to the transfer of telephone, cable, garbage and/or utility services.
  - Rent shall be determined by standard calculation procedures as defined in the SHA Administrative Plan. A security deposit will be required.
  - Individuals/families will not be penalized for terminating the SHA lease agreement within the first twelve (12) months of participation in a Springfield Housing Authority housing program.
  - Housing Choice Voucher holders who experience significant damage to the units in which they reside will not be penalized by the Springfield Housing Authority for relocating to other units before the lease agreements expire.

## F. Preference Points

At the time of application and subject to appropriate verification, preference points will be awarded as indicated below:

Local Preferences	Points Awarded
Currently a resident of Sangamon County.	25
Currently employed in Sangamon County and/or who have been notified that they are hired to work in Sangamon County. An applicant shall be given the benefit of the working family preference if the head and spouse or sole member is age 62 or older, or is a person with disabilities.	30
Non-elderly household with a disability transitioning out of institutional or other segregated setting, or at serious risk of institutionalization, or homeless or at risk of homelessness. (Mainstream only)	60
Households in which a member of the household (head, spouse or sole member) was homeless at admission to a permanent supportive housing program, is transitioning out of the permanent supporting housing program and is directly referred from the Continuum of Care.	60

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## Section VII. INCOME, ASSETS AND ALLOWANCES

### A. Income

Annual income is the gross income anticipated to be received by the family during the 12 months following the effective date of admission or reexamination. (See Definition of Annual Income in Appendix A). Annual Income will be used to determine an applicant's initial eligibility. It will also be used to calculate the participant's Total Tenant Payment for initial and continued program participation.

#### 1. Computation of Annual Income

- a. Use current family circumstances to anticipate income, unless the verification indicates an imminent change.
- c. Analyze all income, including income that may not last the full 12 months (such as unemployment benefits). When circumstances change, an interim reexamination may be processed.

#### 2. Enterprise Income Verification (EIV)

EIV is the verification of income, before or during a family reexamination, through an independent source that systematically and uniformly maintains income verification in computerized form for a large number of individuals.

- a. SHA procedures for anticipating annual income will include the use of EIV methods approved by HUD in conjunction with family provided documents dated within the last 60 days of the SHA interview date.
- b. The SHA will follow “HUD Guidelines for Projecting Annual Income when EIV data is available” in handling differences between EIV and family provided income data. The guidelines depend on whether a difference is substantial or not. HUD defines *substantial difference* as a difference of \$200 or more per month.

- (i) No substantial difference. If EIV information for a particular income source differs from the information provided by a family by less than \$200 per month, the SHA will follow these guidelines:

If the EIV figure is less than the family's figure, the SHA will use the family's information.

If the EIV figure is more than the family's figure, the SHA will use the EIV data unless the family provides documentation of a change in circumstances to explain the discrepancy (i.e. reduction in work hours). Upon receipt of acceptable family provided documentation of a change in circumstances, the SHA will use the family provided information.

- (ii) Substantial difference. If EIV information for a particular income source differs from the information provided by the family by \$200 or more per month, the PHA will follow these guidelines:

The SHA will request written third-party verification from the discrepant income source in accordance with 24 CFR 5.236(b)(3)(i).

When the SHA cannot readily anticipate income (i.e. seasonal employment, unstable working hours, etc.), the SHA will review historical income data for patterns of employment, paid benefits and receipt of other income.

The SHA will analyze all EIV, third-party and family-provided data and attempt to resolve the income discrepancy.

The SHA will use the most current verified income data and if appropriate, historical income data to calculate anticipated annual income.

### Calculation Examples

a. *Regular Employment:*

- (i) Hourly wages times number of hours worked per year. (2080 hours for full-time employment with a 40-hour week and no overtime.)
- (ii) Weekly wages times 52.
- (iii) Bi-weekly wages times 26.
- (iv) Semi-monthly wages times 24.
- (v) Monthly wages times 12.
- (vi) Tips: Average tips per week x 52 = average annual tips.
- (vii) Overtime: Average overtime hours per week x overtime rate x 52 = annual overtime.

b. *Non-Regular Employment*: Includes employment where wages, hours, and employers worked for are flexible and no business-related deductions are claimed. In general, this category applies to those types of employment which do not readily fit in the regular employment category. For example, a person who does yard work for the same employer, same wage, same number of hours per period could and should be verified under the procedures for regular employment. However, if the client's wages, employers, and hours change frequently, their employment would be considered non-regular.

- (i) Verification: The client must Self-Declare the following information:
  - (a) Type of work or services performed
  - (b) Average amount of income earned per month
  - (c) Signature of client and date prepared

- (ii) Calculation: Average monthly income times 12 = annual income from non-regular employment.
- c. *Public Assistance:* (Includes but not limited to TANF, General Assistance, Supplemental Security Income Benefits, and Unemployment Compensation.)
  - (i) Calculation:
    - (a) Monthly Benefit x 12 = annual benefit
    - (b) Overpayments: In the case of benefits where a previous overpayment is currently being deducted the gross amount of the benefit minus the deduction for repayment shall be used.
- d. *Pension/Social Security:* Includes Social Security Benefits, Veterans Benefits, Pension Retirement and Annuity Benefits.
  - (i) Calculation:
    - (a) Monthly benefit x 12 = annual benefit
    - (b) Overpayments: In the case of benefits where a previous overpayment is currently being deducted, the gross amount of the benefit minus the deduction for repayment shall be used.
- e. *Child Support, Alimony, and Support Payments Made by Other Individuals:* Includes regular payments or any regular back payments made by a parent for the support of a minor child residing in the household, regular payments made by relatives, friends, or other persons to the family, or on behalf of the family for basic rent and utilities.
  - (i) Calculation:
    - (a) Amount of payment x frequency = annual support income
    - (b) Frequency = Monthly (12)  
Weekly(52)  
semi-monthly (24)  
bi-weekly (26)
- f. *Lump-Sum Payments:* Generally lump-sum amounts received by a family are considered assets, not income, i.e., inheritance, insurance, settlements, proceeds from the sale of property, etc. Deferred payments made because of a delay in processing a periodic payment such as unemployment, welfare benefits, etc., must be counted as income. Lump sum payments caused by delays in processing periodic payments for Social Security or SSI are not counted as income. If an interim reexamination was not conducted to reduce the Total Tenant Payment, any lump sum amounts received by the family will be treated as an asset. The following example will apply only if an interim reexamination to reduce the Total Tenant Payment is conducted.

- (i) Example: Family member loses her job on October 10. Unemployment benefits are delayed. On December 10, family received a lump-sum payment of \$600 for October 21 through December 7. Beginning December 8, the family receives \$100 per week in unemployment benefits.
  - (a) Family requests and receives an interim reexamination. The interim reexamination reduces the family's Total Tenant Payment and is effective November 1 and annual income is computed as shown below. Income is annualized even though unemployment income is not expected to last the full twelve months and family is reminded to come in for an interim when circumstances change.
  - (b) Any amounts deducted from lump sum payments for attorney's fees shall be deducted from the lump sum amount which is counted as income.
  - (c) Any lump sum amounts, counted as income, shall be included as income for the entire year (until the next annual reexamination), or for 12 months, whichever is greater.
- (ii) Calculation:
  - (a) \$600 (Lump-sum payment) plus \$5,200 (\$100/week unemployment) = annual income from unemployment.

## **B. Enterprise Income Verification (EIV) System**

### **1. Policy**

The Enterprise Income Verification (EIV) system is used as a third-party source to verify a tenant's employment and income information during mandatory re-certifications of family composition and income. This system is also used to reduce administrative and subsidy payment errors.

All reports ran from this system will be reviewed and any discrepancies with the household will be resolved within 30 days of the income report date. These reports and any documentation supporting the resolution of the discrepancy, including any repayment agreements, will be retained in the tenant's file in a locked file cabinet for the term of tenancy plus three years.

A "master file" containing the following reports and documentation will be retained for three years: Failed Pre-screening/Failed Verification Report, Deceased Tenant Report, New Hires Report, and Multiple Occupancy Report.

After the retention period expires, the information will be disposed of immediately. Tenants can provide written consent for the following to view EIV information to assist them in the recertification process: service coordinators (only if they are present at and assisting the resident with the recertification process), translators/interpreters, individuals assisting an elderly individual or a person with a disability, guardians, powers of attorney, and other family members.

The head of household will be given the opportunity to dispute the information received in the EIV report. Tenant conference(s) will be held within 10 days and information will be shared on what was received through the EIV report. The tenant will be required to provide acceptable documentation to support his/her dispute and sign verification release forms. If a tenant fails to sign the verification release forms, appropriate action up to and including termination of assistance, tenancy and/or pursuit of fraud will take place. If a repayment agreement is necessary, the tenant and the Springfield Housing Authority (SHA) will both agree on the terms, or the tenant may pay in a lump sum payment. The retroactive rent payment plus the amount of rent the tenant pays at the time the repayment agreement is executed should not exceed 40% of the family's monthly adjusted income, unless the tenant agrees. The repayment agreement is in addition to the family's monthly rent payment. The monthly repayment amount must be paid on the same day each month. The repayment agreement is signed off by the supervisor.

Tenants who do not agree to repay amounts will be subject to termination. Tenants may also be required to repay funds to the Springfield Housing Authority (SHA) due to a civil action taken by the SHA or court action as a result of a Housing of Urban Development Office of Inspector General (HUD OIG) investigation. If the amount of recalculated rent is \$5,000 or more, this amount may be forwarded to HUD OIG. If the amount of recalculated rent is \$10,000 or more, this amount must be forwarded to the HUD OIG for investigation, no repayment agreement will be entered into. If the amount of recalculated rent is \$200 or less, this amount will be disregarded with a warning to the resident. If the household income increases or decreases by \$200 or more per month, the repayment amount will be renegotiated.

The SHA will not provide rental assistance or Public Housing to a family who has indebtedness to the SHA until either the balance is paid in full or a repayment agreement has been executed.

## **2. Tenant's obligation to repay rent/assistance paid in error**

- a. The tenant must reimburse the SHA for the difference between the rent he/she should have paid and the rent he/she was actually charged, if the tenant:
  1. Fails to provide the owner with interim changes in income of other factors;
  2. Submits incorrect information on any application, certification, or re-certification; and
  3. As a result, is charged a rent less than the amount required
- b. The tenant acknowledges his/her obligation to repay
- c. Applicants must reimburse the SHA for the total overpayment back to the date of admission if the applicant submits information on income and family composition as the basis for the SHA to make a determination that the applicant is eligible, and it is later determined that the information was incorrect and the tenant was not eligible for assistance.
- d. Errors in Income Determination
 

De minimis errors. The SHA shall not be considered out of compliance with program requirements due solely to de minimis errors in calculating family income, but is still obligated to correct errors once it becomes aware of the errors. A de minimis error is an error where the SHA determination of family

income varies from the correct income determination by no more than \$30 per month in monthly adjusted income (\$360) in annual adjusted income per family.

The Springfield Housing Authority shall take corrective action to credit or repay a family if the family was overcharged tenant rent due to de minimis errors in calculating family income. Upon calculation of overcharged tenant rent due to de minimis errors, the SHA shall repay the family the overcharged tenant rent.

Families shall not be required to repay the Springfield Housing Authority in instances resulting in a family being undercharged for rent where the SHA miscalculated the family's income [24 CFR 5.609(c)(4), 960.257(f), 982.516(f), 882.515(f), 882.808(i)(5)].

### 3. Procedures

- a. The Program Integrity Specialist pulls all reports from HUD's electronic system, Enterprise Income Verification (EIV). The following reports and supporting documentation, including any repayment agreements, are kept in the tenant file in a locked file cabinet for the term of tenancy plus three years.
  1. Summary Report – Pulled annually and used during annual and interim recertification to validate a tenant's SSN and resolve discrepant or invalid personal information of tenants with a failed or deceased status.
  2. Income Report – Pulled annually and used at annual and interim recertification and to resolve discrepancies in reported income or complaints that may arise, and to identify tenants who may not have reported complete and accurate income information and may be receiving multiple subsidies. This report is also pulled 90 days after new admissions. Any discrepancies noted will be resolved within 30 days of the report date.
  3. Income Discrepancy Report – Used at annual and interim recertification to identify households where there is a difference of \$2,400 or more in wages, unemployment and SSA benefit. This report is also used to resolve any discrepancies in reported income or complaints that may arise, and to identify tenants who may not have reported complete and accurate income information and may be receiving multiple subsidies. This report is also pulled every six months, and all discrepancies will be reviewed and resolved at the time of the recertification or within 30 days of the report date.
  4. No Income Report – Used when the tenant completes their quarterly zero income recertification to identify tenants that reports no income.
  5. New Hires Report – This report is pulled quarterly and used to identify tenants who have new employment within the last 6 months.
  6. Existing Tenant Report – This report is pulled at the time of processing an applicant for admission and is used to identify applicants who may be receiving assistance at another multifamily or PIH location. If the applicant **is admitted**, the search results and any supporting documentation are retained with the application for term of tenancy plus three years. If the applicant **is not admitted**, the search results and the application with any supporting documentation are retained with the application in the applicant file for three years.



7. Multiple Subsidy Report – This report is pulled quarterly and used to identify tenants who may be receiving rental assistance at more than one location.
  8. Failed Pre-Screening/Failed Verification Report – This report is pulled monthly and is used to identify tenants whose personal information does not match the SSA database. Any tenants that are exempt from the SSN disclosure requirements will be noted on the failed pre-screening report.
  9. Deceased Tenants Report – This report is pulled quarterly and is used to identify tenants reported by the SSA as being deceased.
- b. The Program Integrity Specialist distributes the income reports, multiple subsidy report, and existing tenant search reports to the HCV Specialists to compare with the information in the tenant's file. When a discrepancy is noted between information received and information in file, the Specialist will forward a copy of the reports and tenant information to the Program Integrity Specialist for investigation. The Program Integrity Specialist will send out a notice to the head of household informing them that a tenant conference must be held to discuss the discrepancies. The conference will be held within 10 days. The Program Integrity Specialist will explain the report received to the Head of Household. At the conference, the tenant will be required to provide acceptable documentation to support or dispute the unreported or underreported income and/or income sources, and sign verification release forms.
  - c. If the findings are not disputed, the rent will be re-calculated based on third party verifications dated within the 60-day period preceding the reexamination or request date. Documentation in the possession of the tenant or applicant, will be accepted (check stubs, unemployment benefit statement, etc.). A repayment agreement will be offered.
  - d. If during the tenant conference the head of Household disputes the EIV information and is unable to provide acceptable documentation to support his/her dispute, written third party verification will be obtained. If the SHA is unsuccessful in obtaining information via all verification methods, the tenant will submit an affidavit or notarized statement of reported income and or expenses pertaining to the household. The rent will be recalculated based on the information in writing. The calculation relative to the new rent amount will be explained in detail to the Head of Household and a repayment agreement will be offered.
  - e. When an EIV report has been generated and no action is needed, tenant provided documents dated within the 60-day period preceding the reexamination or request date will be accepted. Acceptable tenant-provided documentation (generated by a third-party source) include, but are not limited to: five current consecutive pay stubs, payroll summary report, employer notice/letter, SSA benefit verification letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices. The Specialist will use the tenant's provided documentation for income and rent determinations unless additional information is needed or there is reason to reject the tenant provided documentation. The Specialist will annualize the income using the current income projected forward or the next twelve months. The information in EIV is not to be used to calculate the tenant's income without obtaining additional verification from the tenant. If the social security benefit information in EIV agrees with the amount the tenant reports, the EIV information must be used as third-party verification for calculating the tenant's income, no other documentation is required.

**C. Assets**

Effective January 1, 2024 or thereafter upon HUD issuance of the revised 50058 form, family assets include interest, dividends, and any other net income of any kind from real or personal property, as well as any assets disposed of at less than fair market value within the last two years. The family's net assets shall not exceed \$100,000 adjusted annually for inflation. In determining net family assets, PHAs or owners, as applicable, must include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. 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.

Excluded from the calculation of net family assets are: (1) The value of necessary items of personal property; (2) The combined value of all non-necessary items of personal property if the combined total value does not exceed \$50,000 (which amount will be adjusted by HUD in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers); (3) The value of 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; (4) The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located; (5) 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 family member being a person with a disability; (6) The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986, the value of any qualified tuition program under section 529 of such Code, the value of any Achieving a Better Life Experience (ABLE) account authorized under Section 529A of such Code, and the value of any "baby bond" account created, authorized, or funded by Federal, State, or local government. (7) Interests in Indian trust land; (8) Equity in a manufactured home where the family receives assistance under 24 CFR part 982; (9) Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR part 982; (10) Family Self-Sufficiency Accounts; and (11) Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family.

In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the trust fund is not a family asset and the value of the trust is not included in the calculation of net family assets, so long as the fund continues to be held in a trust that is not revocable by, or under the control of, any member of the family or household.

**1. Total Value of Assets Calculation**

- a. Savings and Checking Accounts, Certificates of Deposit, IRA and KEOGH Accounts: Account balance or certificate of deposit value = total asset value of savings and checking accounts/certificates of deposit, IRA and KEOGH accounts.

- b. Stocks: Number of shares x current per share value = total asset value of stocks.
  - c. Bonds: Cash value of bond x number of bonds = total asset value of bonds.
  - d. Notes and Mortgages Held: Principal amount remaining = total asset value of notes and mortgages held.
  - e. Trusts:
    - i. If trust is irrevocable, it is not counted as an asset.
    - ii. If trust is revocable, current amount of trust = total value of trust.
  - f. Real Property Owned:
2. Income from Assets Calculation
- a. *Savings and Checking Accounts, Certificates of Deposit, IRA and KEOGH Accounts:* Account balance x interest rate = annual income from savings/certificates of deposit, IRA and KEOGH accounts.
  - b. *Stocks:* Amount of dividends paid x frequency of payment = annual dividend income.
  - c. *Notes and Mortgages Held:* Interest portion of the payment x frequency of payment = annual note or mortgage income. (Repayment of principal is not considered income.)
  - d. *Trusts:* Use of amount of annual proceeds as determined through verification.
  - e. *Real Property Owned (if property is income producing):*
    - (i) The family shall not have a present ownership interest in, a legal right to reside in, and the effective legal authority to sell the real property (based on laws of the state or locality in which the property is located) that is suitable for occupancy by the family as a residence [24 CFR 5.618].
    - (ii) If income tax return for property is available, use the amount of net annual income from tax return.
    - (ii) If no income tax return is available, only the following deductions will be allowed:
      - (a) Amount of payments received x frequency of payment = gross annual income, then
      - (b) If balance owed on property, amount of interest portion of payments made x frequency of payment = annual interest deduction.
  - f. *Assets Disposed of:* Assets disposed of for less than fair market value during the two years preceding effective date of certification or recertification are included as assets. Cash value of the asset, the amount the family would receive if the asset were converted to cash, must be used. Cash value is market value minus reasonable costs that were or would be incurred in selling or converting the asset to cash. Expenses which may be

deducted include the following:

- (i) Penalties for withdrawing funds before maturity
- (ii) Brokers/legal fees assessed to sell or convert the asset to cash
- (iii) Settlement cost for real estate transactions

If the fair market value exceeds the gross amount the family received by more than \$1,000 count the whole difference between the cash value and the amounts received. If the difference is less than \$1,000, ignore it.

Assets disposed of for less than fair market value, as a result of a foreclosure, bankruptcy, divorce or separation, are not counted.

Assets put into trust or business assets disposed of for less than fair market value are counted.

(a) Calculation:

Include the difference between cash value and the amount received for any asset disposed of at less than fair market value within the last two years. (Cash value = the fair market value less reasonable costs.)

(b) Calculating Income from Assets:

<u>Type of Asset</u>	<u>Cash Value Per Year</u>	<u>Actual Income from Asset</u>
Checking Account	300	0
Savings Account	2,000	115
Certificates of Deposit	10,000	988
Rental Property	15,000	0
TOTALS	\$27,300	\$1,101

Since total assets exceed \$5,000, imputed income must be calculated:

Total Assets multiplied by the passbook rate as established by the SHA's HUD field office and/or average passbook rate within the local area or market.

3. Overall Asset Calculation

To determine what amount to use for assets in the overall calculation of total annual income for both rent and eligibility, use the following calculations:

- a. Add total value of all assets = total asset value
- b. Add total income from all assets = total asset income
- c. If total asset value is less than \$5,000, use total asset income in determining total annual income
- d. If total asset value is \$5,000, or more, use the larger of the following:
  - (i) total asset value multiplied by the passbook rate as established by

- the SHA's HUD field office and/or average passbook rate within the local area or market.
- (ii) total asset income.

#### 4. Asset Verification Guide

- a. *Savings and Checking Accounts, Certificates of Deposit, IRA and KEOGH Accounts:* Statement from the financial institution containing the following:
  - (i) date prepared
  - (ii) account number
  - (iii) account balance
  - (iv) interest rate (if the rate is variable, statement must give current applicable rate)
  - (v) name of the account holder(s)
  - (vi) signature of authorized person.
- b. *Stocks:* A statement from a broker or a statement from the issuing corporation containing the following information:
  - (i) date prepared
  - (ii) account number
  - (iii) number of shares
  - (iv) current per share value or current total value of shares
  - (v) amount of dividends earned
  - (vi) frequency of payment of dividends
  - (vii) name(s) of shareholders
  - (viii) if a statement from broker, authorized signature.
- c. *Bonds:* A copy of the face of the bond showing the following information:
  - (i) face value
  - (ii) maturity date
  - (iii) interest rate (if any)
  - (iv) type of bond.
- d. *Trusts:* Client must provide a copy of the trust document or a statement from the trust officer containing the following information:
  - (i) amount of trust
  - (ii) type of trust (revocable or irrevocable)
  - (iii) annual proceeds of trust
  - (iv) beneficiary of trust
  - (v) if statement from trust officer
    - (a) date prepared
    - (b) authorized signature.

NOTE: Due to type of verification required, the client shall provide the following forms of verification.

- e. *Notes and Mortgages Held:* (This is where the client receives payments.)

The family shall not have a present ownership interest in, a legal right to reside in, and the effective legal authority to sell the real property (based on laws of the state or locality in which the property is located) that is suitable for occupancy by the family as a residence [24 CFR 5.618]. The client must provide a copy of the note or mortgage containing the following information:

- (i) date of transaction
- (ii) amount of transaction
- (iii) balance owing
- (iv) amount of payments reflecting the distribution between principal and interest (repayment of principal amount is not considered income)
- (v) frequency of payments
- (vi) interest rate
- (vii) name of person(s) holding the note or mortgage.

f. *Real Property Owned (Includes Mobile Homes):* The family shall not have a present ownership interest in, a legal right to reside in, and the effective legal authority to sell the real property (based on laws of the state or locality in which the property is located) that is suitable for occupancy by the family as a residence [24 CFR 5.618].

- (i) Client must provide a current appraisal or current market analysis prepared by a licensed real estate agent, broker, or mobile home dealer containing the following information:
  - (a) date prepared
  - (b) current market value of the property
  - (c) authorized signature
- (ii) Copy of the deed or other title instrument showing the name(s) of the owner(s).
- (iii) If property is mortgaged, a statement from mortgagor(s) showing:
  - (a) balance
  - (b) amount of payments reflecting distribution between interest and principal
  - (c) frequency of payments.
- (iv) For income-producing property:
  - (a) Copy of lease or rental agreements containing the following information:

- term
- amount of payments
- frequency of payment

- (b) Copy of rental income schedule from income tax return or copy of property tax statement. This information will be used to determine allowable expenses.

#### 4. Families Exceeding Asset Limitation

- a. Families participating in the Housing Choice Voucher program must not have assets that exceed the following HUD guidelines:

- (i) Net family assets that exceed \$100,000 (adjusted annually for inflation; and/or
- (ii) The family has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell the real property (based on laws of the state or locality in which the property is located) that is suitable for occupancy by the family as a residence. [24 CFR 5.618].

- b. Asset Limitation Verification

- (i) Net Family Assets: The SHA requires assisted families to provide third-party verification of all assets during the interim/annual recertification process [24 CFR 5.603, 5.609, 5.618, 882.515(a), 882.808(i)(1)].
- (ii) Real Property Ownership: Assisted families may self-certify real property ownership through the interim/annual recertification process [24 CFR 5.618(B)(2)]. If a family declares present ownership in real property, the SHA shall seek third party verification of the following, as applicable:
  - (a) Whether or not the family has the legal right to reside in the property; and
  - (b) Whether or not the family has the effective legal authority to sell the property; and
  - (c) Whether or not the property is suitable for occupancy by the family as a residence.

In the case of a family member who is a victim of domestic violence, dating violence, sexual assault, or stalking, the SHA shall comply with the confidentiality requirements under 5.2007. The SHA shall accept a self-certification from the family member and the restrictions on requesting documentation under 5.2007.

- c. Notifying Over-Asset Limitation Families

If the SHA has determined that a family has exceeded the asset limitation through the reexamination process (annual or interim), the SHA will provide written notice to the family of the over-asset limitation and will provide the

family an opportunity to cure the non-compliance for a period of six months. Failure of the family to cure within six months of the date of the notification will result in program termination.

#### **D. Allowances**

The following allowances are amounts, as applicable, to be subtracted from the annual income to determine the adjusted income. Adjusted income is annual income minus allowances for dependents, elderly household status, childcare, medical and disability expenses.

##### **1. Dependent Allowance**

A \$480 deduction for any family member (excluding foster children, head of household, or spouse) who qualifies as one of the following:

- a. Under 18 (even if they have children of their own), or
- b. Disabled, is a person with a disability or
- g. A full-time student. (The regulations clarify that an educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree).
- h. The dependent deduction will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of \$25.

##### **2. Elderly Household Allowance**

Effective January 1, 2024 or thereafter upon HUD issuance of the revised 50058 form, a \$525 deduction for families in which the head of household or spouse is at least 62 or is a person with a disability. Only one deduction per family is permitted even if both the head of household and spouse are elderly. The elderly household allowance will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of \$25

##### **3. Childcare Allowance**

Any reasonable childcare related expense billed by a care facility or private individual providing childcare (only those amounts not reimbursed by an agency or individual outside the family can be counted). This deduction applies to expenses relating to the care of any child(ren) under the age of 13 residing with the family. Such care must be necessary for a family member to be gainfully employed, or to further his/her education. Childcare for the convenience of the family is not an allowable expense. For example, if there is an adult family member, who is capable and available to provide childcare, residing with the family, who chooses not to care for the child, childcare expenses are not deductible. The deduction for childcare expenses may not exceed the amount of income earned.

Effective January 1, 2024 or thereafter upon HUD issuance of the revised 50058



form, a family whose eligibility for the child care expense deduction is ending may request a financial hardship exemption to continue the deduction. The family must demonstrate that they are unable to pay their rent because of loss of this deduction and the child care expense is still necessary even though the family member is no longer employed or furthering education.

Examples under which residents would qualify for the hardship exemptions to the childcare expense deduction would be limited to the following:

- The family has lost eligibility for or is applying for an eligibility determination for a Federal, State or Local assistance program;
- The family would be evicted as a result of the imposition of the childcare expense deduction requirements;
- The income of the family has decreased because of changed circumstances, including loss of employment/income;
- A death in the family has occurred; or
- Other circumstances as determined by SHA.

The exemption ends when the circumstances that made the family eligible for the exemption no longer apply or after ninety (90) days, whichever comes earlier.

#### 4. Health and Medical Expense Allowances

- a. Effective January 1, 2024 or thereafter upon HUD issuance of the revised 50058 form, anticipated expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if such expenses:
  - (i) are needed to enable a family member (including the disabled member) to be employed, and
  - (ii) exceed ten percent of annual income, and
  - (iii) the amount exceeding ten percent does not exceed the earned income of the household member enabled to work.
- b. Any family with a disabled family member may qualify for this allowance even if neither the head of household nor spouse is disabled.
- c. Auxiliary apparatus includes items such as wheelchairs, ramps, adaptations to vehicles, special equipment to enable a blind person to read or type, etc., which directly relate to permitting the disabled person or other family member to work.

(i) Example

Head	36	Earned Income	\$12,000
Son	15	Disabled	

Expenses for care of disabled son \$3,500

Disabled Assistance Allowance:

Annual Income	\$22,000
	<u>x.10</u>
.10% of Annual Income	\$ 2,200
Total Handicap Assistance Expense	\$ 3,500
	<u>2,200</u>
<u>Allowable</u> Handicap Expense	\$ 1,300

(Note: \$1,300 allowable expense is not greater than amount earned by spouse who is enabled to work.)

- d. When a care provider takes care of children under the age of 13 and a disabled member 13 or older, expenses must be prorated appropriately since the way in which childcare and handicap assistance expenses are computed differ.
- e. A family, whose head of household or spouse is elderly or disabled, is also permitted to deduct medical expenses. If a family has both handicap assistance and medical expenses, a special calculation is required.
- f. Health and Medical expense deductions are allowed only for families where the head of household or spouse is at least 62, or disabled. If the family is eligible for a medical expense deduction:
  - i. Count medical expenses of all family members, and,
  - ii. Include expenses that are not covered by insurance or other sources and that are anticipated to be incurred during the 12 months following the family's examination/reexamination, such as:
    - (i) Services of doctors and health care professionals
    - (ii) Services of health care facilities
    - (iii) Medical insurance premiums
    - (iv) Long-term care health insurance premiums
    - (v) Prescription/non-prescription medicines
    - (vi) Transportation to and from treatment facilities
    - (vii) Dental expenses
    - (viii) Eyeglasses, hearing aids, batteries

- (ix) Live-in attendant or periodic medical assistance
  - (x) Monthly payment(s) on accumulated medical bills
  - (xi) Medical care of a permanently confined family member if his/her income is included in annual income.
- iii. Allow only that portion of the total medical expenses which exceeds ten percent of annual income:
- (i) Example

Head of Household	64	
Spouse	63	
Annual Income		\$12,000
Total Medical Expenses		\$ 1,500
Annual Income		12,000
		<u>x .10</u>
10% of Annual Income		\$1,200
Total Expenses		\$ 1,500
Minus 3% of Annual Income		<u>-1,200</u>
Allowable Medical Expense		\$ 300
- iv. If an elderly family has both handicap assistance and medical expenses, they will be combined and considered "Health and Medical Expenses" subject to the 10% threshold. The SHA will follow steps outlined by form HUD 50058.
- v. There are two hardship exemptions to the 10% threshold for health and medical expenses allowance as follows:
- (i) Category 1 – Phased-In Relief for Families Receiving Health & Medical Deductions Prior to January 1, 2024. As of January 1, 2024, the family must have been receiving a deduction from annual income of qualified health and medical expenses exceeding 3% of annual income. Those families experiencing a hardship will have a phase in to the new deduction amount over two years.
    - First year: SHA shall deduct eligible expenses exceeding 5% of the family's income.
    - Second year: SHA shall deduct eligible expenses exceeding 7.5% of the family's income.
    - After twenty-four months, this hardship exemption expires. The SHA shall deduct eligible expenses exceeding 10% of the family's income, unless the family requests and qualifies for a new exemption under Category 2.
    - Once a family chooses to obtain general relief under Category 2, a family may no longer receive the phased-in relief.
  - (ii) Category 2 – This exemption is for families who can demonstrate a financial hardship due to an increase in their qualified expenses or because of a change that would not otherwise trigger an interim

reexamination. This hardship exemption is available whether the family previously received health and medical deductions or is currently receiving, or previously received, a hardship exemption under Category 1.

- The family may receive a deduction of all eligible expenses exceeding 5% of their annual income.
- The exemption ends when the circumstances that made the family eligible for the exemption no longer apply or after ninety (90) days, whichever comes earlier. The SHA may extend this 90-day period by additional 90 days with no required cap on extensions from HUD. Is there any recommendation here to do so? And if so, how many?

Examples under which residents would qualify for the hardship exemptions to the medical expense deduction would be limited to the following:

- The family has lost eligibility for or is applying for an eligibility determination for a Federal, State or Local assistance program;
- The family would be evicted as a result of the imposition of the higher health and medical expense deduction requirements;
- The income of the family has decreased because of changed circumstances, including loss of employment/income;
- A death in the family has occurred; or
- Other circumstances as determined by SHA.

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**Section VIII. COMPUTING TOTAL TENANT PAYMENT AND TENANT RENT**

Effective January 1, 2000, the Springfield Housing Authority has established a minimum monthly rent (TTP) at \$50 per month. This minimum rent includes the utility allowance. The SHA will continue to provide due consideration to the hardship circumstances of housing assistance recipients.

**A. Calculation of Total Tenant Payment and HAP Maximum Subsidy**

The SHA will compute Annual and Adjusted Income and Total Tenant Payment in accordance with 24 CFR Sections 5.603, 5.609, 5.613 as follows:

**1. Housing Choice Voucher Program**

Under the HCV Program, the rent formula is as follows:

The maximum subsidy is the lower of:

- (a) The Payment Standard minus the Total Tenant Payment
- (b) The Gross Rent minus the Total Tenant Payment

Once the unit is selected, the family's portion of the rent is calculated as the contract rent minus maximum subsidy. The tenant's portion may not be more than 40% of the family's monthly adjusted income when the family first receives HCV tenant-based assistance or less than the minimum rent of \$50.

**B. Utility Allowance**

The utility allowance is the lesser of the family voucher size or the actual unit size the family selects.

As required by 24 CFR 982.517, the Utility Allowance Schedule will be reviewed on an annual basis and adjusted as needed.

At least annually, the SHA shall determine whether there has been a substantial change in utility rates that were used to calculate allowances. If there has been a change of more than 10% individually or cumulatively, the utility allowance will be adjusted to reflect such increases and/or decreases. Such change shall be processed according to federal regulations.

The SHA will give tenants a utility allowance for stoves and refrigerators when these appliances are provided by the tenant. The SHA will also give a utility allowance for air conditioning (window or central) whether it is provided by the landlord or the tenant. The determination regarding provision of appliances is between the landlord and the tenant; the SHA will not be involved.

The current utility allowance schedule is included in Appendix C of this Plan.

## C. Payment Standards

1. At least annually the SHA will review and when necessary, revise Payment Standards. The following factors will be used to analyze the need for an affordability adjustment:
  - a. *Participant rent burdens.* If more than 10% of Voucher recipients are paying more than 40% of income for rent then the Payment Standard will be adjusted upward. The determination of rent burden will be made using information on those participant households who are actually leasing units of the same size as the Voucher they have been issued, and;
  - b. *Publication of new FMRs.* Payment Standards will be maintained at amounts no higher than 110% of the current HUD published FMR, and no lower than 90% of the current HUD published FMR. SHA may increase the payment standard to 120% of the FMR without having to receive approval as a reasonable accommodation for a person with a disability. All FMRs will be published by HUD for at least thirty (30) days before they go into effect.

If the Payment Standards need to be increased based on the above analysis, or because the HUD FMRs change and require a change in the Payment Standards, the SHA will implement the new Payment Standards at the annual reexaminations or when the household moves or household composition changes. If the Payment Standards decrease, The SHA will implement the new standards at the annual re-examination, whenever a participant family moves or when the bedroom size, for which the family qualifies, changes.

## Section IX. SUBSIDY STANDARDS

### A. Bedroom Size Assignment

Bedroom size assignments on Vouchers will be made so that no less than one (1) and no more than two (2) persons will occupy a bedroom. Adult persons of the opposite sex shall not be required to occupy the same bedroom except for married or cohabiting couples. Two children of the same sex may be required to share a bedroom regardless of age. Children of the opposite sex may be required to share a bedroom if both are under age six (6). Generally, children over the age of six shall not be required to share a bedroom with a parent. No assignments of bedroom size on a Voucher will be made which require use of the living room for sleeping.

The intent of HUD requirements is that the smallest appropriate bedroom size be assigned to participant families without overcrowding. The SHA does not limit or restrict which family members may share bedrooms.

Using the above guidelines, the following subsidy standards will determine the number of bedrooms required.

<u>NUMBER OF BEDROOMS</u>	<u>NUMBER OF PERSONS PER UNIT</u>	
	<u>MINIMUM</u>	<u>MAXIMUM</u>
0	1	1
1	1	4
2	2	6
3	3	8
4	5	10
5	7	12

A separate bedroom may be provided for an individual family member if the family presents documentation sufficient to convince the SHA that the individual's physical or mental health requires separate sleeping quarters.

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**Section X. ISSUANCE OF HOUSING CHOICE VOUCHERS AND BRIEFING OF FAMILIES****GENERAL**

Effective October 1, 1999, the Springfield Housing Authority will issue only Vouchers to new admissions, new move-ins, new leases and families entering and/or re-entering the jurisdiction through portability.

Further, at the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, the Springfield Housing Authority will ensure that the family's share does not exceed 40% of the family's monthly adjusted income.

**A. Notification and Response**

Once an applicant's program eligibility has been verified; the family's annual income has been calculated; and the subsidy size has been determined, the family will be informed, in writing of their eligibility status. All eligible applicants are required to attend a briefing at which the family will be issued the Voucher and will be provided with a detailed overview of the HCV Program. The briefing will cover the National Inspection Standards for Real Estate (NSPIRE) to be met when the participant searches for a unit and may be provided in a group or individually.

Briefings for Special Projects, including HUD-VASH and Emergency Housing Vouchers may be scheduled individually to expedite the voucher issuance and lease-up process.

The SHA will brief the applicant on the Housing Choice Voucher Program.

1. If an applicant fails to appear, without prior explanation to the SHA, for two scheduled appointments to receive a briefing and a Voucher, such failure shall result in removal from the waiting list and the person may reapply provided that applications are being accepted at that time.

**B. Briefings**

1. **Briefing Packets**

- a. At the briefing, the family will receive an HCV briefing packet which will include explanations of applicant and owner responsibilities under the programs.

The briefing packet shall contain:

- Term of Voucher, a description of the SHA's Voucher extension or suspension policies and how to request them.
- How HAP is determined.
- How maximum subsidy is determined.
- What family should consider when deciding whether to lease a unit, such as: unit condition; reasonableness of rent, cost of tenant paid utilities; whether the unit is energy efficient; and proximity of unit to

public transportation, employment, schools and shopping.

- Where family may lease a unit, including information on portability.
- HUD required "tenancy addendum".
- Request for Tenancy Approval and explanation of how to request approval to lease a unit.
- SHA policy on providing information about family to prospective owners.
- The SHA's subsidy standards, including any exceptions to these standards.
- HUD brochure on how to select a unit.
- HUD Lead Based Paint brochure.
- Fair Housing Brochure and information, HUD-401 and a Discrimination Complaint Form HUD-903.
- List of landlords or real estate agents who may be willing to lease a unit or may be able to help the family locate a unit.
- Notice that if family includes a disabled person, they may request a current listing of available accessible units known to the SHA.
- Family Obligations under the HCV program.
- Grounds on which the SHA may terminate assistance.
- Informal hearing procedures.
- Additional information as determined by the SHA including Special Vouchers which may be available through grants.

## 2. Briefing Session

Briefing sessions will be planned and scheduled in order to orient prospective Voucher holders regarding SHA-HCV procedures. All persons receiving a Voucher are required to attend a scheduled briefing session. Failure to attend a briefing session by a prospective Voucher holder shall disqualify the person/family for HCV assistance unless approved otherwise in writing by the HCV Manager, the Director of HCV and/or the Executive Director.

- a. The briefing session will be informal with the opportunity for the applicants to ask questions to ensure that they have an adequate understanding of the program and procedures to be followed.
- b. Briefing session topics will include:

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- Description of how the program works;
  - Family, owner and housing authority responsibilities;
  - Where the family may lease a unit, including renting a dwelling unit inside or outside the SHA's jurisdiction;
  - How to locate a suitable unit;
  - Portability;
  - Advantages of moving to an area that does not have a high concentration of poor families;
  - How to make an inspection of the unit(s) under consideration;
  - The participant's responsibilities relative to the lease approval process;
  - Procedures for filing a discrimination complaint, if appropriate;
  - Description of the Family Self-Sufficiency program and an explanation of how to apply.
- c. The family will be notified that they must report any changes in family composition and/or income during the period between issuance of the Voucher and execution of the HAP/Voucher Contract. The SHA will follow up as necessary before execution of lease and contract.

## **C. Voucher Suspensions and Extensions**

### **1. Suspensions**

The Voucher shall expire at the end of 60 days unless within that time the family submits a Request for Tenancy Approval (RFTA), at which time a "suspension" may occur. (The time between the date the RFTA is submitted and the date the SHA determines whether to lease or deny the RFTA is not counted against the Voucher time limit.)

### **2. Extensions**

Prior to the expiration of the voucher, the family may submit a written request for an extension. The applicant must present evidence justifying the extension which is satisfactory to the SHA. If the SHA believes that there is a reasonable possibility that the family may, with additional advice or assistance, find a suitable unit, the SHA may issue one extension not to exceed a total of 60 days. In addition, an extension may be requested as a reasonable accommodation for a person with disabilities even after the voucher term expires. Extensions issued as reasonable accommodations shall be up to the term reasonably required for the purpose of making the program accessible to the family member with the disability.

3. HUD-VASH and Emergency Housing Vouchers

Applicants eligible for HUD-VASH and Emergency Housing Vouchers are issued vouchers with an initial search term of 120 days. Suspensions and extensions, as explained above, apply to the 120-day search term.

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## Section XI. UNIT SELECTION AND APPROVAL

### A. Locating a Unit

It is the responsibility of the Voucher holder to locate a unit suitable to the holder's needs and desires.

The holder of a Voucher may select the dwelling unit which the holder already occupies if the unit meets program qualifications.

If available, information regarding landlords interested in participating in the program will be offered to the Voucher holder. Voucher holders will be encouraged to locate their own housing, but will also be informed that they should periodically contact the SHA staff in order to report their progress or request any new information regarding available units. Owners who have committed "fraud, bribery or any other corrupt or criminal act" in connection with a federal housing program may be denied.

Whenever possible, staff will provide assistance in locating a dwelling unit to those families who, because of age or disability, are unable to find suitable units.

To those applicants reporting apparent discrimination, assistance will be provided in preparing the required HUD Discrimination Complaint Form and in locating available housing elsewhere.

If a Voucher holder elects to move to a different jurisdiction, they must follow HUD's portability guidelines.

Households receiving a Voucher will be advised of the following specific steps in leasing a unit:

1. Family finds unit owner is willing to lease under the Housing Choice Voucher Program.
2. Family determines the unit is rentable with Payment Standards provided by SHA.
3. Family conducts initial inspection according to guidelines prescribed in a "Good Place to Live".
4. Family submits Request for Tenancy Approval (RFTA) signed by owner and family.
5. Family submits unexecuted lease (with amount of rent payable by family left blank).
6. SHA determines amount of utility allowance to be given
7. SHA determines whether requested Contract Rent plus any tenant-paid utility allowance is affordable and "rent reasonable".

8. If the family is entitled to a utility reimbursement, SHA shall determine if the utility reimbursement should be paid to:
  - a. family
  - b. directly to utility company
  - c. jointly to family/utility company
- NOTE:** Any determination with respect to "utility reimbursement payment" may be made in consultation with and approval of the family and the utility supplier.
9. SHA inspects (proposed) unit in accordance with NSPIRE and informs the owner in writing of necessary repairs;

**NOTE:** SHA may pre-inspect available units for families of the Emergency Housing Voucher program.
10. Owner effectuates necessary repairs (if any);
11. SHA reinspects unit to ensure compliance with NSPIRE prior to leasing of unit;
12. Inspection/reinspection reports filed with deficiencies specified;
13. SHA reviews lease documents for compliance with required and prohibited lease provisions (as prescribed by HUD);
14. SHA notifies owner and family of tenancy approval and furnishes a copy of the Contract to the owner to sign;
15. Family and owner execute lease;
16. Owner signs the contract and gives SHA a copy of an executed lease HAP contract;
17. SHA executes contract and returns executed copy of contract to owner.

## **B. Portability**

### General

When a family has a right to lease a unit in the receiving Housing Authority's jurisdiction, the receiving Housing Authority must provide assistance for the family. The receiving Housing Authority's procedures and preferences for selection among eligible applicants does not apply and the receiving Housing Authority's waiting list is not used. However, the initial or receiving Housing Authority may deny or terminate assistance for family action or inaction in accordance with CFR 982.552 "PHA denial or termination of assistance for family" and CFR 982.553 "Crime by family members."

### Portability Procedures

- a. Portability is the ability of a family issued a Voucher to move anywhere within the

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State of Illinois or anywhere in the United States where a tenant-based program is administered.

- b. If neither household head nor spouse had a legal residence in the jurisdiction of the SHA at the time of application, the family must lease a unit in the SHA jurisdiction for one year before becoming eligible for portability. Participants of the Emergency Housing Voucher program are eligible for portability at the time of voucher issuance, regardless of the location of their residence at the time of application.
- c. If a family's initial lease is outside the jurisdiction of the SHA, the family must be income eligible for the area in which they will lease.
- d. The receiving HA may offer to absorb families from another HA into their local Voucher Program, according to availability and eligibility.
- e. The amount of housing assistance shall be based on the applicable Payment Standard in effect at the receiving HA at the time the Voucher is received.
- f. The initial HA must give the receiving HA the most recent HUD Form 50058 (Family Report) for the family, and related verification information. If the receiving HA opts to conduct a new reexamination, the receiving HA may not delay issuing the family a Voucher or otherwise delay approval of a unit unless the recertification is necessary to determine income eligibility.
- g. The SHA shall limit family moves to not more than one in a twelve-month period. Should a family move in violation of this rule without the express written permission of SHA, it will be in violation of program obligations and further assistance may be denied.
- h. The receiving SHA will promptly notify the initial HA if the family has submitted a Request for Tenancy Approval, whether they will absorb or administer the Voucher, if the family ceases to be a current participant in the initial HA's Voucher Program, or has requested to move to another HA jurisdiction.
- i. The receiving HA will perform all functions normally associated with providing assistance to a family in the Voucher Program, including determining unit size, lease approval, annual reexamination of income, annual inspection of the unit to meet the National Standards for the Inspection of Real Estate, and executing the HAP Contract. If the receiving HA does not absorb the family into its program, the receiving HA will bill the initial HA for the Housing Assistance Payment on behalf of the family. The receiving HA will be eligible to receive 80% of administrative fees, and all hard-to-house fees associated with the portable Voucher being administered. The initial and receiving HAs must comply with financial procedures and billing and payment deadline required by HUD. The first bill must be sent from the receiving HA to the initial HA within six (6) months from the date the initial HA issued the Voucher to the family.
- j. If the family selects an area where more than one Housing Authority may have jurisdiction, then the SHA may select which Housing Authority in the new area shall be the receiver.

## **C. Flexibility on Unit Size Selection**

It is emphasized that the unit size listed on the applicant's Voucher does not preclude the family from selecting either a smaller or larger-sized unit provided the following requirements are met:

### **1. Larger-Sized Units**

*Voucher:* The family may select a larger-sized unit than listed on its Voucher. The family will be required to pay any additional cost for the larger size unit as long as the TTP does not exceed 40% of the family's monthly adjusted income at admission and moving from unit to unit. (The maximum subsidy will remain based on the Voucher size issued to the family.)

### **2. Smaller-Sized Units**

The family may select a smaller-sized unit provided there is at least one sleeping room or living/sleeping room of appropriate size for each two persons in the household. (For example, a 3-bedroom Voucher Holder with 5 family members could select a 2-bedroom unit if there would be two bedrooms for four of the members and a living/sleeping room for the fifth member.) The applicable Payment Standard will be that of the smaller unit size.

### **3. Record-Keeping Requirements**

In the event a family deviates from the Voucher size, SHA will retain the family's "Voucher-size" as originally prescribed (i.e. the Voucher size will not change even though the family is not in the size unit prescribed by SHA). This policy will allow the family to move to the "right size" unit in the future without fear of the Authority no longer having a Voucher in that unit size category. For example, if a mother and daughter are assigned a two (2) bedroom Voucher, but elect to rent a one (1) bedroom unit, their Voucher will be recorded as a two-bedroom Voucher. If and when the mother locates a suitable two (2) bedroom unit, the unit can be approved as she is the bearer of a two (2) bedroom Voucher.

### **4. Function of Voucher Size Standards vs. "NSPIRE" Standards**

The HUD-approved unit size standards are used to determine the maximum rent for the unit to be rented by the family whereas the NSPIRE standards are used to determine if the unit selected by the family can be rented at any price under HUD's inspection standards. (See Section J for further discussion of NSPIRE.)

**NOTE:** The unit size designated on the Voucher must remain unchanged, regardless of the actual unit size selected.

## **D. Eligible and Ineligible Housing Units**

### **1. Eligible Units**

- a. The types of housing units that are eligible for the Voucher Programs are: apartments, single family homes, townhouses, duplexes, fourplexes, mobile homes, congregate and independent group homes. These may



include units owned by a relative as long as the Voucher holder owns no part of the property and the relative is not an immediate family member as defined by HUD's Conflict of Interest clause outlined in the HAP contract which includes spouses, parents/step-parents, children/step-children, grandparent, grandchild, sister/step-sister, brother/step-brother, etc.

- b. Owners of manufactured homes are ~~not~~ eligible to receive assistance on the Voucher Program.
- i. Payment Standards for manufactured home space will generally be based upon 40% of the published two (2) bedroom Payment Standard.
- d. Single Room Occupancy (SRO) Housing is eligible for assistance on the Voucher Program if:
  - (i) the property is located in an area where there is significant demand for SRO units (as determined by HUD),
  - (ii) the SHA approves the use of SRO units for such purposes,
  - (iii) the SHA certifies to HUD that the property meets applicable local health and safety standards for SRO housing.

## 2. Ineligible Units

- a. Any Public Housing or Indian Housing unit.
- b. Units in which the family is being assisted under other HCV subsidy programs.
- c. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services.
- d. Colleges or other school dormitories.
- e. Units on the grounds of penal, reformatory, medical, mental and similar public or private institutions.
- f. Housing owned in whole or in part, by the family to be assisted.
- g. Units that are owned by landlords that have been barred from participating in the program.
- h. Units in which the owner has a history of failing to terminate tenancy for drug-related or violent criminal activity or other threatening activity.
- j. Units in which the owner has engaged in drug-related or violent criminal activity.

## E. **Information Provided to Prospective Landlords About Participants**

The SHA will provide the following information about program participants to prospective

landlords:

- a. current address; and
- b. if known, name and address of owner of participant's current and prior address.

The SHA will inform all property owners interested in participating in the HCV Program that tenant screening for payment and other lease compliance behavior is the owner's responsibility, and is not performed by the SHA.

The SHA may offer the owner other information in the SHA's possession about the family including information about the tenancy history of family members, or about drug trafficking of family members. The same types of information will be provided to all families and owners. (24 CFR 982.307 (b))

Listing a family on the SHA waiting list, or selecting a family for participation in the program is not a representation by the SHA to the owner about the family's expected behavior, or the family's suitability for tenancy. At or before SHA approval to lease a unit, the SHA will inform the owner that the HA has not screened the family's behavior or suitability for tenancy and such screening is the owner's own responsibility.

Owners are permitted and encouraged to screen families on the basis of their tenancy history. An owner may consider a family's background with respect to such factors as:

- payment of rent and utility bills;
- caring for a unit and premises;
- respecting the rights of others to the peaceful enjoyment of their housing;
- drug-related criminal activity or other criminal activity that is a threat to the life, safety or property of others; and
- compliance with other essential conditions of tenancy.

## **F. Security Deposits**

Property owners have the right to request security deposits from HCV tenants. Security deposits collected by owners cannot be in excess of private market practice or in excess of amounts charged by owners to unassisted tenants.

It is the family's responsibility to pay the security deposit to the owner. The SHA will not provide advances to assist families in meeting security deposits, but will provide assistance by referring the family to other potential private or public sources.

Responsibility for first and last month's rent is not considered a security deposit issue. The owner should settle the security deposit requirements with the tenant prior to the beginning of assistance.

After the family moves from the unit, the owner must treat the security deposit in accordance with State law. The owner may use the security deposit, including interest earned, as reimbursement for any unpaid Tenant Rent, damages to the unit, or other amounts which the family owes under the lease. The owner must give the family a written list of all items charged against the security deposit and the amount charged for each item. The tenant must be notified of the move-out inspection. After deducting the amount used as reimbursement, the owner must promptly refund the full amount of the balance to the

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family.

**G. Disapproval of Property Owner 24 CFR 982.306**

The PHA must not approve an assisted tenancy if any one of the following conditions exists:

1. If the PHA has been informed (by HUD or otherwise) that the owner is debarred, suspended, or subject to a limited denial of participation under 24 CFR part 2424.
2. When directed by HUD, the PHA must not approve an assisted tenancy if:
  - a. The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements, and such action is pending; or
  - b. A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.
3. In its administrative discretion, the PHA may deny approval of an assisted tenancy for any of the following reasons:
  - a. The owner has violated obligations under a HAP contract under HCV of the 1937 Act (42 U.S.C. 1437f);
  - b. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
  - c. The owner has engaged in any drug-related criminal activity or any violent criminal activity;
  - d. The owner has a history of practice of non-compliance with the NSPIRE standards for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based HCV assistance or leased under any other federal housing program;
  - e. The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under HCV or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
  - f. Threatens the right to peaceful enjoyment of the premises by other residents;
  - g. Threatens the health and safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing;
  - h. Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or

- i. Is drug-related criminal activity or violent criminal activity; or
  - j. The owner has a history or practice of renting unit that fail to meet State or local housing codes; or
  - k. The owner has not paid State or local real estate taxes, fines or assessments.
  - l. The owner owes any monies to the SHA from any other Federal, State or Local funded housing program.
  - m. Repeatedly causing issues and/or problems for tenants and/or SHA (i.e. charging extra rent, side payment agreements with tenants, refusing to comply with SHA policies and procedures).
4. The PHA must not approve a unit if the owner is the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities. This restriction against PHA approval of a unit only applies at the time a family initially receives tenant-based assistance for occupancy of a particular unit, but does not apply to PHA approval of a new tenancy with continued tenant-based assistance in the same unit.
5. Nothing in this rule is intended to give any owner any right to participate in the program.
6. For the purposes of this section, "owner" includes a principal or other interested party.
7. The individual circumstances and seriousness of such conditions will be considered prior to any disapproval of an owner.

If the SHA determines that the owner is approvable and that the lease does not violate any program rules, the lease may be approved. If the lease cannot be approved, the owner and subsidy holder will be notified and provided with the reason and an opportunity to correct any deficiencies.

## **H. Approval of Owner's Proposed Lease**

1. The SHA may adopt a model lease for its Section Housing Choice Voucher program and may encourage owners to use it. However, owners may elect to use their own lease. For any new tenants leasing on or after October 2, 1995, all leases must include the HCV lease addendum language verbatim or the owner must sign the HUD lease addendum with the prospective tenant. If the owner selects his/her own lease, the Voucher holder must submit a copy for review at the time the RFTA is submitted. The SHA will review all leases proposed by property owners to ensure that:
- a. The lease includes the lease addendum language verbatim.
  - b. Utilities which must be paid by the tenant, if any, are specified.

- c. The initial lease term is for one year and includes a provision for automatic renewals for a definite or indefinite length.
2. Any and all changes to the lease **MUST BE** in writing with a copy submitted to the Springfield Housing Authority.

## **I. Working with Owners**

SHA is committed to a strategy of fostering positive relationships with participating and potential landlords. SHA will not discriminate against any owners on the basis of race, color, creed, sex, national origin or other protected class. SHA will extend all professional courtesies and will develop a strategy for soliciting new owner participation as well as encouraging the continued participation of landlords already involved in the HCV Program. SHA will conduct group briefings for owners on an as-needed basis and will conduct one-on-one briefings at (i) any time approached by prospective owners, and (ii) at time of contract/lease document execution.

### **Owner Briefings**

Owner briefings will be conducted in both group and/or individual sessions depending upon the circumstances. The purpose of the briefings is to familiarize the participating/prospective owners with:

- a. responsibilities of the SHA;
- b. responsibilities of the resident;
- c. responsibilities of the owner;
- d. "termination of residency" (i.e. eviction proceedings to be followed by the owner);
- f. actions to be taken by SHA in the event of non-compliance by the owner;
- g. procedures for requesting a rental increase.

## **J. National Standards for the Inspection of Real Estate (NSPIRE) Inspections**

### **1. General NSPIRE Inspection Procedures**

When a family selects a unit and submits a Request for Tenancy Approval, the SHA will inspect the unit for compliance with NSPIRE standards. NSPIRE standards used in the operation of the program will be as set forth in 24 CFR Section 982.401, or as set forth in specified HUD-approved variations in the acceptability criteria.

The SHA will use an approved HUD NSPIRE Standards inspection form. The inspection form is maintained in the tenant file. Copies may be sent to both the owner and the tenant on request. In the case of any "fail" items, a reinspection is completed prior to approval of any lease. In the case of any "inconclusive items," further documentation of the acceptability of the items will be required, or a reinspection will be completed to confirm acceptability of the unit.

The various types of inspections include the following: move-in, annual, complaint, special, emergency, move-out/pre-move-out and quality control. The SHA will inspect each dwelling unit leased to an eligible family at least annually and at such

other times as may be necessary to ensure that the owner is maintaining the unit in accordance with NSPIRE and is providing the agreed upon utilities and other services.

SHA encourages that both the owner and the tenant are present during inspections.

When a unit fails the NSPIRE inspection, the SHA will notify the owner of the failed items and the required time to repair (24 hours for emergency items, and up to 30 days for non-emergency items). If the owner fails to take corrective action within the time prescribed in the notice, the SHA may exercise any of its rights or remedies under the contract, including abatement of Housing Assistance Payments (even if the family continues in occupancy) and termination of the contract. If the family wishes to be rehoused in another dwelling unit with HCV assistance and the SHA decides to terminate the Housing Assistance Payments Contract, the SHA shall issue to the family another Voucher. (See also Section XII, E Rent Abatement and Contract Termination for NSPIRE Violations.)

A family's assistance may be terminated if the family has breached its responsibilities under the program and is responsible for NSPIRE failure for the following reasons: failure to pay for tenant supplied utilities and services; failure to provide and maintain tenant-supplied appliances, or; damages caused by guests or family members.

The SHA will attempt to obtain annually from local health agencies the names and addresses of children with identified elevated blood levels (EBLs) and match this information with the names and addresses of participants. If a match occurs, the SHA will determine whether local health officials have tested the unit for lead-based paint. If the unit has lead-based paint the owner will be required to treat the lead-based paint. If corrective action is not taken the family will be issued a Voucher to move. Copies of the inspection reports will be kept for a period of three (3) years.

## 2. Detailed NSPIRE Inspection Activities

Effective October 1, 2024 the Springfield Housing Authority will inspect all units to ensure that they meet the National Standards for the Inspection of Real Estate (NSPIRE). No units will be initially placed on the Housing Choice Voucher Program unless the NSPIRE standards are met. Units will be inspected at least annually, and at other times as needed, to determine if the units meet NSPIRE standards.

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

If the family misses the scheduled inspection, the Springfield Housing Authority will reschedule two more inspections. If the family misses three inspections, the Springfield Housing Authority will consider the family to have violated a Family Obligation and their assistance will be terminated.

### 3. Types of Inspections

There are seven types of inspections the Springfield Housing Authority performs:

- A. Pre-Qualifying Unit Inspections – [MTW Waiver Effective January 1, 2024]  
A pre-qualifying unit inspection may be conducted within ninety (90) days of an HCV assisted family occupying the unit and must pass NSPIRE standards. The family may request an interim inspection as applicable.
- B. Move-In Inspection (also called Initial Inspection) – An inspection that must take place to ensure that the unit passes NSPIRE standards before assistance can begin.
- C. Annual Inspection – An inspection to determine that the unit continues to meet NSPIRE standards.
- D. Complaint Inspection (Tenant, Landlord or Other) – An inspection caused by the Authority receiving a complaint on the unit by anyone.
- E. Special Inspection – An inspection caused by a third party i.e. HUD, needing to view the unit.
- F. Emergency – An inspection that takes place in the event of a perceived emergency. These will take precedence over all other inspections.
- G. Move Out Inspection/Pre-Move Out Inspection – These inspections document the condition of the unit at time of move out and prior to move out.
- H. Quality Control Inspection – Supervisory inspections on at least 5% of the total number of units that were under lease during the Housing Authority's previous fiscal year. These inspections are completed to ensure NSPIRE standards adherence and consistent inspection determinations.

**NOTE:** If inconsistencies are found a larger sample will be used and additional training provided.

### 4. Owner and Family Responsibility

- A. Owner responsibility for NSPIRE Standards
  - 1. The owner must maintain the unit in accordance with NSPIRE standards.
  - 2. If the owner fails to maintain the dwelling unit in accordance with NSPIRE standards, the Springfield Housing Authority will take prompt and vigorous action to enforce the owner obligations, the Springfield Housing Authority's remedies for such breach of the NSPIRE standards include termination, abatement, reduction of housing assistance payments and termination of the HAP contract.
  - 3. The Springfield Housing Authority will not make any housing assistance payments for a dwelling unit that fails to meet the NSPIRE standards, unless the owner corrects the defect within the period specified by the Springfield Housing Authority and the SHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects the owner must correct the defect within no more than 30

calendar days (or any SHA approved extension).

4. The owner is not responsible for a breach of NSPIRE standards that is not caused by the owner, and for which the family is responsible. Furthermore, the SHA may terminate assistance to a family because of an NSPIRE standards breach caused by the family.

**B. Family Responsibility for NSPIRE Standards**

1. The family is responsible for a breach of NSPIRE standards that is caused by any of the following:
  - a. The family fails to pay for any utilities that the owner is not required to pay for, but which are to be paid by the tenant;
  - b. The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or
  - c. Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).
2. If an NSPIRE standards breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any SHA approved extension).
3. If the family has caused a breach of the NSPIRE standards, the SHA will take prompt and vigorous action to enforce the family obligations. The SHA may terminate assistance for the family in accordance with 24 CFR 982.552.

**5. National Standards for the Inspection of Real Estate (NSPIRE)**

This Section states, generally, the criteria areas outlined in 24 CFR 982.401 and as published on June 22, 2023 by HUD and as may be modified from time to time by HUD.

Standard	Definition	Common Deficiencies
Address and Signage	Unique number and name identifiers assigned to the property.	<b>1.</b> Address, signage is broken, illegible or not visible
Bathtub and Shower	Fixtures typically found in bathrooms that dispense clean water used for bathing and self-care which also contain a method for draining used water.	<b>1.</b> Bathtub or shower is missing or inoperable <b>2.</b> Bathtub or shower does not drain <b>3.</b> Bathtub or shower cannot be used in private



Standard	Definition	Common Deficiencies
Cabinet and Storage	Dedicated space for food, goods or other items.	<ol style="list-style-type: none"> <li>1. Food storage space not present.</li> <li>2. Food storage space is damaged, inoperable or missing</li> </ol>
Call for Aid System	A call system used by a resident to summon aid during a medical emergency.	<ol style="list-style-type: none"> <li>1. System is blocked or pull-cord is higher than 6" off the floor</li> <li>2. Inoperable</li> </ol>
Carbon Monoxide Alarm	A single or multiple station alarm intended to detect carbon monoxide gas and alert occupants by a distinct audible signal, or if the unit is occupied by a person with a hearing impairment, a distinct visual alarm or combination of audible and visual alarms.	<ol style="list-style-type: none"> <li>1. Missing, not installed or not installed in proper location.</li> <li>2. Obstructed</li> <li>3. Inoperable</li> </ol>
Ceiling	The upper interior surface of a room that provides separation between rooms, spaces and floors.	<ol style="list-style-type: none"> <li>1. Unstable Surface</li> <li>2. Hole in Ceiling</li> <li>3. Not functional</li> </ol>
Chimney	A vertical or near vertical passageway connected to a fireplace or wood-burning appliance.	<ol style="list-style-type: none"> <li>1. Damaged</li> <li>2. Structural Failure</li> </ol>
Clothes Dryer Exhaust Ventilation	The system connected to the clothes dryer vent outlet that exhausts air from the dryer blower to a designated area.	<ol style="list-style-type: none"> <li>1. Transition duct is detached or missing</li> <li>2. Exhaust ventilation system has restricted airflow</li> <li>3. Vent cover or cap missing</li> <li>4. Transition duct constructed of unsuitable material</li> </ol>
Cooking Appliance	Cooking range, Cooktop, Oven, Microwave	<ol style="list-style-type: none"> <li>1. Cooking appliance does not ignite or produce heat</li> <li>2. Cooking appliance is damaged or missing</li> </ol>
Door – Entry	A door that provides a means of access to the unit from the inside or outside.	<ol style="list-style-type: none"> <li>1. Entry door is missing or inoperable</li> <li>2. Entry door cannot be secured</li> <li>3. Entry door has a hole, split or crack that penetrates the door</li> </ol>

Standard	Definition	Common Deficiencies
Door – Fire Labeled	A door with a fire-resistant rating.	<ol style="list-style-type: none"> <li>1. Fire labeled is missing or inoperable</li> <li>2. Fire labeled door does not close and latch or self-closing hardware is missing or damaged</li> <li>3. Fire labeled door has a hole, split or crack that penetrates the door</li> </ol>
Door – General	Panel that provides an opening in a building or a room and provides separation.	<ol style="list-style-type: none"> <li>1. Passage door does not open</li> <li>2. Passage door is damaged, inoperable or missing</li> <li>3. Passage door has damaged, inoperable or missing component</li> </ol>
Drain	An opening in the floor that drains water into the plumbing system.	<ol style="list-style-type: none"> <li>1. Drain is fully blocked</li> </ol>
Egress	A safe, continuous and unobstructed path of travel from any point in the building, unit, or structure to the public way.	<ol style="list-style-type: none"> <li>1. Obstructed means of egress</li> <li>2. Sleeping room has an obstructed rescue opening</li> <li>3. Fire escape access is obstructed</li> </ol>
Electrical – Conductor, Outlet and Switch	Conductor, Outlet and Switch	<ol style="list-style-type: none"> <li>1. Outlet or switch is damaged</li> <li>2. Three-pronged outlet is improperly wired or grounded</li> <li>3. Exposed electrical conductor</li> <li>4. Water is in contact with electrical conductor</li> </ol>
Electrical – GFCI or AFCI Outlet or Breaker	Electrical protection devices.	<ol style="list-style-type: none"> <li>1. GFCI Outlet breaker is damaged; reset inoperable</li> <li>2. AFCI Outlet breaker is damaged; reset inoperable</li> <li>3. An unprotected outlet is present within six feet of a water source</li> </ol>
Electrical – Service Panel	An enclosure, cabinet, box or panelboard containing overcurrent protection devices for the control of light, heat, appliances and power circuits.	<ol style="list-style-type: none"> <li>1. Electrical service panel is not accessible</li> <li>2. Overcurrent protection device is damaged or contaminated</li> </ol>

Standard	Definition	Common Deficiencies
Elevator	A vertical transport vehicle, generally powered by electric motors that either drive traction cables and counterweight systems or pump hydraulic fluid to raise a cylindrical piston.	<ol style="list-style-type: none"> <li>1. Elevator is inoperable</li> <li>2. Elevator door does not fully open or close</li> <li>3. Elevator cab is not level with the floor</li> <li>4. Malfunctioning or inoperable safety edge device</li> </ol>
Exit Sign	Device or placard that identifies the egress route in case of an emergency.	<ol style="list-style-type: none"> <li>1. Exit sign is damaged, missing, obstructed or not adequately illuminated</li> </ol>
Fence and Gate	Fence and gate	<ol style="list-style-type: none"> <li>1. Fence component is missing</li> <li>2. Gate does not open, close, latch or lock</li> <li>3. Fence demonstrates signs of collapse</li> </ol>
Fire Escape	An apparatus on the outside of a building used for escaping from a building on fire.	<ol style="list-style-type: none"> <li>1. Fire escape component is damaged or missing</li> </ol>
Fire Extinguisher	A portable fire safety device that discharges a jet of water, foam, gas or other material to extinguish a fire.	<ol style="list-style-type: none"> <li>1. Fire extinguisher pressure gauge reads over or under-charged</li> <li>2. Fire extinguisher service tag is missing, expired or illegible</li> <li>3. Fire extinguisher is damaged or missing</li> </ol>
Flammable and Combustible Item	A combustible material is any material that, in the form in which it is used and under the condition anticipated, will ignite and burn or will add appreciable heat to an ambient fire.	<ol style="list-style-type: none"> <li>1. 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</li> <li>2. Improperly stored chemicals</li> </ol>
Floor	Lower surface of a room.	<ol style="list-style-type: none"> <li>1. Floor substrate is exposed</li> <li>2. Floor component(s) is not functionally adequate</li> </ol>
Food Preparation Area	Flat surfaces designed, arranged, intended or used for cooking or otherwise making food ready for consumption.	<ol style="list-style-type: none"> <li>1. Food preparation area is not present</li> <li>2. Food preparation area is damaged or not functionally adequate</li> </ol>

Standard	Definition	Common Deficiencies
Foundation	Lowest load bearing part of a building.	<ol style="list-style-type: none"> <li>1. Foundation is cracked</li> <li>2. Foundation vent cover is missing or damaged</li> <li>3. Foundation has exposed rebar or is spalling, flaking or chipping</li> <li>4. Foundation is filtrated by water</li> <li>5. Foundation support post, column, beam, or girder is damaged</li> </ol>
Garage Door	A small or large door on a garage that opens either manually or by an electric motor.	<ol style="list-style-type: none"> <li>1. Garage door has a hole</li> <li>2. Garage door does not open, close or remain open or closed</li> </ol>
Grab Bar	Safety device to be grasped and enable a person to maintain balance	<ol style="list-style-type: none"> <li>1. Grab bar is not secure</li> </ol>
Guardrail	A barrier along an open, raised walking surface.	<ol style="list-style-type: none"> <li>1. Guardrail is missing or not installed</li> <li>2. Guardrail is not functionally adequate</li> </ol>
Handrail	A rail fixed to posts or a wall for people to hold on to for support.	<ol style="list-style-type: none"> <li>1. Handrail is missing, not secure, not functionally adequate or not installed where required</li> </ol>
Heating, Ventilation and Air Conditioning (HVAC)	Heating, Ventilation and Air Conditioning	<ol style="list-style-type: none"> <li>1. Missing or inoperable; heating temperature may not be below 67.9 degrees</li> <li>2. A/C system is not operational</li> <li>3. Unvented space heater that burns gas, oil or kerosene is present</li> <li>4. Combustion chamber cover or gas shut-off valve is missing</li> </ol>
Infestation	The presence of animals with potential impacts on resident health and safety.	<ol style="list-style-type: none"> <li>1. Evidence of cockroaches, bedbugs, mice, rats, or other pests</li> <li>2. Evidence of cockroach, bedbug, mouse, rat or other pest infestation</li> </ol>
Leak – Gas or Oil	A fuel or gas leak refers to an unintended leak of natural gas or another gaseous product from a pipeline or other containment into any area where the gas or fuel should not be present.	<ol style="list-style-type: none"> <li>1. Natural gas, propane or oil leak</li> </ol>

Standard	Definition	Common Deficiencies
Leak – Sewage System	A sewage system leak refers to the leakage of wastewater out of a sanitary sewer system.	<ol style="list-style-type: none"> <li>1. Blocked sewage system</li> <li>2. Leaked sewage system</li> <li>3. Cleanout cap detached, missing or damaged</li> </ol>
Leak – Water	A water leak can be caused by damage; including puncture, gash, rust or other corrosion hole, very tiny pinhole leak, crack or microcrack, or inadequate sealing between components or parts joined together.	<ol style="list-style-type: none"> <li>1. Environmental water intrusion</li> <li>2. Plumbing leak</li> </ol>
Lighting – Auxiliary	Lighting that is essential to safety in the event of primary supply failure.	<ol style="list-style-type: none"> <li>1. Auxiliary lighting is damaged, missing or fails to illuminate when tested</li> </ol>
Lighting – Exterior	Fixed artificial lighting that is used to illuminate exterior areas	<ol style="list-style-type: none"> <li>1. Permanently installed light fixture is damaged, inoperable, missing or not secure</li> </ol>
Lighting – Interior	Permanently installed light fixture.	<ol style="list-style-type: none"> <li>1. Permanently installed light fixture is inoperable, not secure</li> <li>2. At least one permanently installed light fixture is not present in the kitchen and bathroom</li> </ol>
Litter	Waste discarded or disposed of in a location that is not designated for waste.	<ol style="list-style-type: none"> <li>1. Litter is accumulated in an undesignated area, inside or outside</li> </ol>
Minimum Electrical and Lighting	Lighting and Outlets	<ol style="list-style-type: none"> <li>1. At least two working outlets are not present within each habitable room</li> <li>2. At least one outlet and one permanent installed light fixture is not present within each habitable room</li> </ol>
Mold-Like Substance	Mold-like substance can include regular or irregular patches or spots on surfaces that can be colored differently than the surface, and can be raised from the surface, and are generally composed of minute filaments. It can appear “fuzzy” or “cottony” and a musty or earthy odor can be associated with it.	<ol style="list-style-type: none"> <li>1. Presence of mold-like substance at moderate, high or extremely high levels is observed visually</li> <li>2. Elevated moisture level present</li> </ol>

Standard	Definition	Common Deficiencies
Parking Lot	A designated outdoor area for parking motorized vehicles.	<ol style="list-style-type: none"> <li>1. Parking lot has any one pothole that is 4" deep and 1 square foot or greater</li> <li>2. Parking lot has ponding</li> </ol>
Potential Lead-Based Paint Hazards	Lead-based paint is paint or other surface coatings that contain lead equal to or exceeding federal regulatory levels. Visual assessment is surface by surface of paint condition.	<ol style="list-style-type: none"> <li>1. Paint inside or outside a unit is deteriorated below the level required for lead-safe removal</li> <li>2. Paint inside or outside a unit is deteriorated above the level required for lead-safe removal</li> </ol>
Private Roads and Driveways	Road leading from a public road to a dwelling or garage.	<ol style="list-style-type: none"> <li>1. Road or driveway access to the property is blocked or impassable for vehicles</li> <li>2. Road or driveway has any one pothole that is 4" deep and 1 square foot or greater</li> </ol>
Refrigerator	A device designed to keep food from spoiling by cooling and freezing.	<ol style="list-style-type: none"> <li>1. Refrigerator is inoperable such that it may be unable to safely and adequately store food</li> <li>2. Refrigerator is missing or damaged such that it impacts functionality</li> </ol>
Retaining Wall	A vertical structure that retains soil or rock at various grades.	<ol style="list-style-type: none"> <li>1. Retaining wall is leaning away from fill side</li> <li>2. Retaining wall is partially or fully collapsed</li> </ol>
Roof Assembly	The external upper covering of a house or other building.	<ol style="list-style-type: none"> <li>1. Restricted flow of water from a roof drain, gutter or down spout</li> <li>2. Gutter is damaged, missing or unfixed</li> <li>3. Roof surface has standing water</li> <li>4. Roof assembly is damaged or has a hole</li> </ol>
Sharp Edges	Physical hazards within the built environment that can lacerate or puncture skin.	<ol style="list-style-type: none"> <li>1. A sharp edge that can result in a cut or puncture hazard is present</li> </ol>
Sidewalk, Walkway and Ramp	A pathway for pedestrian travel.	<ol style="list-style-type: none"> <li>1. Sidewalk, walkway or ramp is blocked or impassable or is not functionally adequate</li> </ol>

Standard	Definition	Common Deficiencies
Sink	A basin with hardware designed to dispense and hold clean water and discharge wastewater.	<ol style="list-style-type: none"> <li>1. Sink or component is damaged or missing and is not functionally adequate</li> <li>2. Water is directed outside of the basin</li> <li>3. Sink is not draining</li> <li>4. Cannot activate or deactivate hot or cold water</li> </ol>
Site Drainage	An exterior system that directs the flow of surface water.	<ol style="list-style-type: none"> <li>1. Water runoff is unable to flow through the site drainage system</li> <li>2. Erosion is present</li> </ol>
Smoke Alarm	A self-contained device that detects the presence of smoke, typically as an indicator of fire, and provides a visual or audio signal as an alert.	<ol style="list-style-type: none"> <li>1. Smoke alarm is not installed where required</li> <li>2. Smoke alarm is obstructed</li> <li>3. Smoke alarm does not produce an audio or visual alarm when tested</li> </ol>
Sprinkler Assembly	Part of the fire protection system that discharges water when activated once reaching a certain temperature.	<ol style="list-style-type: none"> <li>1. Sprinkler head assembly is encased or obstructed</li> <li>2. Sprinkler head is damaged, inoperable or missing</li> </ol>
Steps and Stairs	A single step, series of steps, or flights of steps that connect two levels.	<ol style="list-style-type: none"> <li>1. Tread is missing or damaged</li> <li>2. Step or stair is not functionally adequate</li> </ol>
Structural System	Load-bearing system within the built environment.	<ol style="list-style-type: none"> <li>1. Structural system exhibits signs of serious failure</li> </ol>
Toilet	A plumbing fixture used to receive human waste and to discharge it through	<ol style="list-style-type: none"> <li>1. Toilet is missing, damaged or inoperable such that it may limit the resident's ability to safely discharge human waste</li> <li>2. Toilet cannot be used in private</li> </ol>
Trash Chute	A large tube through which refuse is carried by means of gravity to a large waste receptacle at the bottom end.	<ol style="list-style-type: none"> <li>1. Chute door does not open or self-close latch</li> <li>2. Chute is clogged</li> </ol>

Standard	Definition	Common Deficiencies
Trip Hazard	Hazard caused by an abrupt change in vertical elevation or horizontal separation on any walking surface.	1. Trip hazard on walking surface
Ventilation	Means of supplying air to or removing air from a space.	1. Exhaust system does not respond to the control switch 2. Exhaust system has restricted airflow or is damaged or missing
Wall – Exterior	The finished or unfinished surface that provides a vertical separation between the interior and exterior of the building and may provide security and privacy, sound proofing and weather resistance.	1. Exterior wall covering has missing sections of at least 1 square foot per wall 2. Exterior wall has peeling paint of 10 square feet or more 3. Exterior wall component is not functionally adequate
Wall – Interior	A vertical surface that may define an area, and provide security, shelter, or sound proofing.	1. Interior wall has a loose or detached surface covering 2. Interior wall component is not functionally adequate or has a hole greater than 2" in diameter or an accumulation of holes greater than 6" x 6"
Water Heater	A device designed to generate and store hot water for domestic use.	1. No hot water 2. TPR valve has an active leak or is obstructed 3. Chimney or flue piping is blocked, misaligned or missing 4. Gas shutoff is damaged or missing
Window	Opening in a wall or roof of a building that is fitted with glass or other material.	1. Window will not open or stay open or will not close 2. Window cannot be secured 3. Window component is damaged or missing and the window is not functionally adequate

## 6. Time Frames and Corrections of NSPIRE Fail Items

### A. Correcting Initial NSPIRE Fail Items

The Springfield Housing Authority will schedule a timely inspection of the



unit on the date the owner indicates that the unit will be ready for inspection, or as soon as possible thereafter. The owner and participant will be notified in writing of the results of the inspection. If the unit fails NSPIRE standards again, the owner and the participant will be notified and a follow up inspection scheduled. Further, the owner and participant will be advised to notify the SHA to reschedule a re-inspection if the repairs have been properly completed prior to the date in the written notification.

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

**B. NSPIRE Fail Items for Units under contract**

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

If the owner fails to correct the NSPIRE failed items after proper notification has been given, the SHA will abate payment and/or terminate the contract.

If the participant fails to correct the NSPIRE failed items that are family-caused after proper notification has been given, the Springfield Housing Authority will terminate assistance for the family in accordance with Section XIV. Termination, Claims, Complaints; and Appeals.

**C. Time Frames and Corrections**

Emergency repair items will be abated within 24 hours.

Repair of refrigerators, range and oven, or a major plumbing fixture, water heater, etc. supplied by the owner will be abated within 72 hours.

Non-emergency and major repairs, the owner will have up to 30 days to complete. Items not completed within 30 days of the initial inspection will be abated beginning the first of the month following the second failure to comply (24 hours for life-threatening situations and up to 30 days for other defects). Non-life-threatening is any condition that a) would fail to meet NSPIRE standards under 24 CFR 982.401 and b) is not a life-threatening condition.

**D. Extensions**

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

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

7. Emergency Fail Items

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

- A. No hot or cold water
- B. No electricity
- C. Inability to maintain adequate heat
- D. Major plumbing leak
- E. Natural gas leak or fumes
- F. Broken locks(s) on first floor doors or windows
- G. Broken windows that unduly allow weather elements into the unit
- H. Electrical outlet smoking or sparking
- I. Exposed electrical wires which could result in shock or fire
- J. Unusable toilet when only one toilet is present in the unit
- K. Security risks such as broken doors or windows that would allow intrusion
- L. Other conditions which pose an immediate threat to health or safety
- M. Missing or inoperable smoke detector
- N. Missing or non-functioning carbon monoxide (interior air quality)
- O. Electric hazards that could result in a shock or fire
- P. Gas/oil water heater or heating ventilation, or cooling system with missing, damaged, improper, or misaligned chimney or venting
- Q. Lack of alternative means of exit in case of fire or blocked egress
- R. Other interior hazards (missing, damaged, discharged, overcharged, or expired fire extinguisher)
- S. Deterioration paint in a unit built before 1978 with a child under six (6)
- T. Other conditions subsequently identified by SHA or HUD in a published Federal Register

**K. Initial Contract Rents**

1. Fair Market Rent

- a. *Vouchers:* For the Housing Choice Voucher Program, the Contract Rent is not limited by the FMR, however at no time may the Voucher Contract Rent exceed rent that is paid for comparable, unassisted units and at no time can a Voucher participant (new admissions or move-ins) pay more than 40% of the monthly adjusted income toward rent.

2. Rent Reasonableness

Reasonable Rent charged will be determined for the Housing Choice Voucher holder at initial lease up and at each annual certification if the Landlord requests a rental increase. Documentation of reasonable rent will be included in each participant's file. The reasonableness of the rent requested by the owner will be determined on the basis of the following factors:

- a. SHA market survey information on rents for comparable units in the area;

- b. The condition of and amenities in the unit; and
- c. The previous rent charged for the dwelling.

The SHA will collect and maintain substantial data to determine and support rent reasonableness for all program rents. Data will be purged and updated regularly by HCV staff.

The rent-reasonableness test is used to certify that the unit to be assisted is reasonable in cost relative to comparable units in the same area. HUD has required that Springfield Housing Authority and all other PHAs place a "rent-reasonableness" certification in each resident file. This certification must state that, "the unit is reasonable in relation to comparable unassisted units in the private market place". The certification must further note that, "the rent on the unit to be assisted is not in excess of rents charged by the owner for comparable unassisted units in the same building or for other comparable units rented by this owner in the same locality". It is the Government's intent to disallow the increase of rents by owners simply because the unit is to be federally-subsidized.

To document that the Authority has obtained market information necessary to certify rent reasonableness, SHA will compare the proposed rent on each unit relative to:

- Location within community/accessibility to services such as shopping centers, daycare, and medical facilities
- Unit size
- Type of building
  - Single family
  - Elevator building
  - Garden apartment
  - Townhouse
- Quality
  - does the unit meet or exceed the NSPIRE standards?
- Accessibility for Disabled/Elderly
- Amenities
  - air conditioning
  - carpet
  - dishwasher
  - location of unit within building
- Facilities
  - playgrounds
  - storage
  - parking
- Management & Maintenance Services
  - grounds upkeep
  - on-site manager
- Date Available for Occupancy
  - new construction
  - substantial rehabilitation
- Gross Rent Amount
  - utilities (included or excluded)
  - appliances

SHA will document this information on a unit-by unit basis in writing.

If the SHA determines that the amount of rent requested by the owner is not reasonable, a reasonable rent will be computed, and a counter-offer will be made to the owner. Failure by the owner to lower the rent will result in disapproval of the unit for the program.

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## Section XII. HOUSING ASSISTANCE PAYMENTS CONTRACT

### A. HAP Contract Execution

1. Once the owner, lease (if owner elects to use his/her own lease), and unit are approved, and a reasonable rent negotiated, the SHA will enter into a HAP contract.

The HAP contract is a contract between the SHA and the owner and provides for the SHA to make monthly payments to the owner for a specific family in a specific unit. The term of the contract runs concurrently with the lease term. The HAP contract terminates if the lease terminates. No payments may be made after the family moves out or the lease term ends.

HAP contract HUD-52641 (3/2000) will be used for the Housing Choice Voucher program. HAP Contract HUD-52530-A will be used for the HCV Project Based program, and HAP Contract HUD-52578-A will be used for the HCV Moderate Rehabilitation Program.

On or after October 1, 1999, the Springfield Housing Authority will only enter into a HAP contract for tenancy under the Voucher program, and will not enter into a new HAP contract for a tenancy under the certificate program. Further, the SHA will use HUD's HAP contracts published in October 1999 for all lease-ups effective after October 1, 1999 and/or other HAP contracts as may be updated subsequent to that date.

2. The family is not responsible for the HAP payment and cannot be charged late fees if the SHA pays late. However, the Conforming Rule, effective October 2, 1995, permits SHA to be charged late fees in accordance with state/local laws. The SHA may pay for late fees from administrative fee income or reserves.
3. Once the leasing/contract documents are prepared, SHA staff will meet with the owner and family (preferably together) to review documents. In addition to reviewing the specific terms of the HAP contract and lease, staff will explain:
  - a. Owner requirements to maintain the unit, allow inspections, and inform the SHA if the tenant vacates without notice.
  - b. Tenant requirements to pay rent, maintain the unit, allow inspections, cooperate with the SHA's recertification requirements, and notify the SHA when the family wishes to move.
4. The SHA will make their best effort to sign all HAP contracts before lease terms start and will ensure that all contracts are executed within 60 days after the beginning of the lease term.
  - a. If the HAP contract was signed within the 60-day period after the lease term started, housing assistance payments may be made retroactive to the beginning of the lease term.

- b. If the HAP contract was executed more than 60 days following the beginning of the lease term, the contract is void and no housing assistance payments may be made to the owner.
5. A new HAP contract will be required for new and revised leases. Changes in the lease requirements governing tenant or owner responsibilities for utilities or appliances, changes in the lease provisions governing the term of the lease, or if the family moves into a new unit, even if the unit is in the same building or complex, will require execution of a new HAP contract.

## **B. Proof of "Ownership"**

As part of the execution of the HAP Contract and to ensure that payment is made to the owner or owner's representative, SHA will require that any parties representing themselves as the owner or owner's agent will be required to prove legal authority to lease the unit named in the Request for Tenancy Approval. "Proof of Ownership" can be made by presenting:

- Contract for Deed (if building is being sold on a land contract)
- Title/Deed/Property Tax Statements
- Contract for Management Services (if party executing lease documents is an agent for the owner)

## **C. Payments to Owners**

It is the Springfield Housing Authority's intent to make accurate and timely payments in order to ensure the integrity of the program and the agency and to ensure the continued occupancy of the assisted family.

The Housing Assistance Payment, (the difference between the contract rent and the portion of the rent payable by the family) shall be paid to the owner by SHA in accordance with the contract.

No payments will be made on behalf of an assisted family until the lease and the Housing Assistance Payments Contract have been signed by all appropriate parties.

The SHA will maintain an internal control system which will ensure the accurate posting and tracking of Housing Assistance Payments to owners.

## **D. Contract Rent Adjustment - Voucher Program**

The Contract Rent may not be increased during the first year of the lease. After the initial year, owners may request an increase at least 60 days before the next annual anniversary date or HAP expiration date, whichever is sooner but must provide written notice of any proposed increase to the family, in accordance with the lease and contract, and to the SHA. The increase will not be approved unless the increased rent meets rent reasonableness requirements. 24 CFR 982.519 (6)

Families who wish to move because of the owner's rent increase will be required to give the owner proper notice and notify the SHA at least thirty (30) days in advance.

## **E. Rent Abatement and Contract Terminations for NSPIRE Standards Violations**

When an owner fails to correct cited repairs within the specified time frame, housing assistance payments will be abated beginning the first of the month following the second failure to comply (24 hours for life-threatening situations and up to 30 days for other defects) and will continue until such time as:

- The owner corrects the deficiencies, in which case the housing assistance payments may be resumed as of that date; or
- The HAP contract expires or is terminated.

The SHA will not resume HAP payments until the owner has corrected the deficiencies. No retroactive payments will be made for the period during which the rent abatement occurred. When the deficiencies are corrected, however, a prorated housing assistance payment may be provided to the owner for the period commencing with the date a SHA inspector certified the required work was completed.

The SHA will send the owner written notification, in accordance with the HAP contract, when the SHA plans to abate payments. The SHA will also notify the family of this action and apprise the family of its responsibility, based on applicable State or local law, for the payment of the tenant share of rent to the owner.

The SHA will terminate HAP contracts which are under abatement at the earlier of: a) the month the family living in the unit has moved, or b) when unit has failed to meet NSPIRE standards and has been determined “marginal”.

HAP contracts will be terminated immediately, without application of the rent abatement process described above, in cases of owner failure to repair life-threatening conditions within the required 24-hour time period. This applies only to cases in which the owner is responsible for the situation not when the tenant has caused the violation. Life-threatening conditions include but are not limited to:

- a. No heat between October 1 and May 1.
- b. No electricity.
- c. No gas.
- d. No running water.
- e. Natural gas leak or fumes.
- f. Major plumbing leaks or flooding (such as sewer backup or stoppage).
- g. Any electrical outlet, switch, stationary light fixture, fuse box or circuit breaker that smokes, sparks or short circuits, creating a fire hazard.
- h. Broken or missing lock on any dwelling unit doors accessible to the outside of the dwelling unit.
- i. Uninhabitable units due to fire, tornadoes, destroyed or vandalized property that prevent a tenant from using the bathroom or kitchen or from entering the dwelling unit.
- j. As well as those “emergency” items covered in Section J. NSPIRE Inspections.

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## Section XIII. ONGOING ACTIVITIES

### A. Statement of Approach

HUD requires that SHA conduct reexaminations of family circumstances at least annually. This requirement for an *annual reexamination*, does not however negate the possibility/probability of conducting *interim reexaminations* of family circumstances when circumstances change. HUD has determined that in order to determine a family's continued eligibility/need for assistance, there will be occasions when a family can request an interim reexamination of their circumstances, and there will be occasions when the Authority needs to take a look at the family's circumstances relative to HUD's current guidelines for continued assistance. The SHA will compare the information the family reports to the family's most recent reexamination to identify any discrepancies and ask the family to explain them.

### B. Annual Reexaminations

1. The SHA will re-examine the income, assets, expenses and family composition of all families at least annually. Reexaminations determine the participant's monthly TTP and rent to owner (Tenant Rent), eligibility for continued occupancy, and required unit size.

The SHA follows all pertinent HUD regulations in its completion of reexaminations. Approximately 90 - 120 days prior to the family's reexamination effective date, the family will be notified of a scheduled reexamination interview. (The "reexamination effective date" is typically the anniversary date of the HAP contract, but may be sooner if the family has moved during the year and a new HAP has been executed.)

If the participant does not respond to the initial notice by attending the scheduled reexamination interview on the date and time specified in the 1<sup>st</sup> Notice of Reexamination, then the SHA will send a second and final notice. If the participant is unable to attend the scheduled interview due to disability or health problems, the Authority will make arrangements for an in-home interview. If the participant fails to keep the second appointment (for reasons other than health or disability), the SHA will send the family a notice terminating assistance under the HCV program effective a minimum of 30 days from the date outlined on the notice of program termination.

Employment and income data, assets, full-time student status, health and medical expenses (elderly and disabled families only), child care expenses, and disabled assistance expenses will be verified, documented and placed in the participant's file.

Third party written verifications are the preferred kind of verifications. However, oral third-party verifications are acceptable, if properly documented. When such documents cannot be photocopied, Housing Authority staff will sign a statement confirming that the verification documents were viewed by recording the document source, date, time, amount, etc. All verifications will be maintained in the participant's folder.

- Verified information will be analyzed to determine TTP and the appropriate unit size.
2. Reexamination Briefing: Should the authority determine that there have been substantive changes in the regulations governing the administration of the Housing Choice Voucher program, SHA reserves the right to require participant families to attend a reexamination briefing. The purpose of this briefing is to assure that participant households are aware of their rights and responsibilities under the program at all times. Failure to participate in this briefing will result in a participant being held accountable for obligations for which they had no prior knowledge (but for which regulatory and statutory provisions require participant compliance). Participants attending these sessions will be required to sign a statement showing that they were in attendance and were briefed on program changes.
  3. Tenants requiring larger or smaller units are issued a Voucher for the appropriate bedroom size dwelling unit at the annual reexamination, or at such other times necessary, depending on availability. However, if the family size exceeds the maximum subsidy standard for continued occupancy, the family must be immediately issued the appropriate size Voucher. At annual reexamination, the applicable Payment Standard for Vouchers will not change unless the family moves to a different unit, ~~or~~ there has been a change in family size, or the payment standards have increased. The Payment Standard may not be less than the standard previously used, except when the family qualifies for a smaller unit.
  4. Tenants whose Total Tenant Payment equals or exceeds the gross rent for their dwelling unit, will be notified of their responsibility for the entire contract rent amount.
    - a. Housing Assistance Payments shall be terminated with proper notice to both the tenant and owner.
    - b. Suspension of Housing Assistance Payments shall not affect the tenant's other rights under the lease, nor shall suspension preclude the resumption of payments as a result of loss of income or other relevant circumstances.
    - c. For 9/95 versions of HAP contracts the SHA will terminate the contract if 180 days have passed since the date of the last Housing Assistance Payment.
  5. Increases in the participant's portion of the rent to owner (Tenant Rent) will be effective on the scheduled reexamination effective date, with reasonable advance notice (30 days) provided the participant has complied with all reporting requirements. When the participant has failed to comply with all reporting requirements, the participant's portion will increase retroactively to the reexamination effective date. Retroactive changes in participants rent share will not be made when delays are solely the fault of the Authority or a verification source.
  6. Decreases in participant's portion of rent shall take effect on the reexamination effective date.

## C. Interim Reexaminations

Changes in family income or composition may result in an interim recertification. Increases in income must exceed ten percent (10%) of the family's adjusted income or more per month and/or changes in family composition must be reported.

### 1. Income/Family Composition Changes:

The participant must report, income changes during walk-in hours on the specific dates publicly posted each month (first ten business days of each month) within the month following the change of income (see examples below). Family composition changes may be reported during any regularly posted walk-in hours.:

- a. Increase in income that exceeds ten percent (10%) of the family's adjusted income or more per month;
- b. When an unemployed household member becomes employed and the income from employment exceeds ten percent (10%) of the family's adjusted income or more per month;
- c. When a household member begins or ceases to receive benefit income (such as welfare, social security, SSI, etc.) and such income or lack of income was not reported at last reexamination and the income from the benefit exceeds ten percent (10%) of the family's adjusted income per month.
- d. The SHA shall round up at percentage calculations of .50 or higher.

The participant may report the following which would result in a decrease in rent:

- a. Changes which would result in a decrease of tenant rent (i.e. loss of income, increased medical expenses/child care costs, etc.). The SHA shall not process an interim reduction of rent if the income decrease is less than ten percent (10%) of the family's adjusted income.

**Example 1:** Assisted household begins employment October 20. The household must report the increase in income, in accordance with the guidance above the first ten business days of the month of November.

**Example 2:** Assisted household begins employment October 1. The household must report the increase in income, in accordance with the guidance above the first ten business days of the month of October.

### 2. Zero Income:

Families reporting \$0 income will be required to have all adult household members sign a certification of \$0 income and a release allowing the SHA to obtain any 3<sup>rd</sup> party verification, including but not limited to a certified copy of any tax return submitted to IRS by all adults residing in the household, employment verification, unemployment verification, EIV, etc. Failure to comply with these reexamination requirements will be considered grounds for termination of assistance.

3. Self-Employment:

When family member(s) report self-employment and SHA staff is not able to determine "anticipated annual income" such households will be required to undergo an interim reexamination every ninety (90) days.

4. HUD Regulation Change:

SHA reserves the right to request that participants undergo an interim reexamination in order to comply with changes in HUD regulations (such as implementation of new rules, forms, etc.)

5. Effective Date of Rent Changes Due to Interim Recertifications:

a. *Tenant Rent Decreases:* If a change in family circumstances or income results in a decrease in Tenant Rent, the adjustment in rent will be effective the first day of the month following verification of reported change. Decrease in Tenant Rent will not be granted without verification of the decrease in income.

b. *Treatment of Income Resulting from Welfare Program Requirements:* The Springfield Housing Authority will not lower the rent for a family whose welfare benefits are reduced because of fraud, because of the family's failure to participate in an economic self-sufficiency program or because of failure to comply with work activity requirements.

The Springfield Housing Authority may only deny a reduction in the rent after obtaining written verification from the welfare agency. The prohibition against reducing the rent does not apply in situations where the family's time limit for receipt of welfare benefits expires or when the family has complied with the welfare requirements but has been unsuccessful in finding a job.

c. *Tenant Rent Increases:* If a change in family circumstances or income results in an increase in Tenant Rent, the adjustment in rent will be made effective the first day of the second month following the change in family circumstances or income was verified and written notice of new rent amount is sent to the participant (thereby giving a 30-day notice to the participant).

d. Tenant and owner will be notified as to any changes in the Housing Assistance Payment or Tenant Rent.

6. Errors: If an error in Tenant Rent is revealed at any time during the income year, proper adjustment will be made to correct the error as follows:

a. If the error is the fault of the tenant and results in the tenant owing additional rent, such rent shall be repaid by the family within a reasonable period of time. Failure to repay must result in termination.

b. If the error is not the fault of the tenant and it results in increased Tenant Rent, such rent shall be made effective the first day the change is

corrected. If a refund is necessary, because of a decrease in rent, it shall be processed immediately.

- c. If the error is not the fault of the tenant, and corrective action results in a decreased rent, such rent shall be made effective as of the date the error was made.

#### **D. Changes in Household Composition**

All participants are required to report any change in household composition within 30 days of the change. New household members may be added to the tenant's voucher in accordance with the definition of Family outlined in Section IV B. 1. However, no new household member may be added unless and until that person has provided the required information to the HCV Department and been determined eligible for admission according to the guidelines specified in Section IV of this plan. The SHA has the right to deny admission to any person found to be ineligible.

SHA will not conduct an income redetermination unless there is a reported change of income.

Participants must provide documentation as required by the SHA when reporting that a family member has left the household. In the case of an income producing household member, the SHA will require at least two documents verifying the new address or other evidence deemed acceptable by the SHA. Utility bills, driver's license, automobile registration, voter registration, employer's verification, or a lease or rent receipt bearing the family member's name, new address and a date are examples of acceptable evidence. Court papers indicating that a family member has left the household such as a Petition for Dissolution of Marriage, a Petition for an Order of Protection, or a Petition for Legal Separation may also be acceptable.

If there has been a change which necessitates a unit size change, SHA will advise the family that a revised Voucher will be issued when one becomes available.

Upon receipt of the revised Voucher, family will be instructed to search for a unit. If the family locates the unit at a time other than the anniversary date, SHA will advise family of need to give notice of intent to vacate within the terms of their present lease agreement. In the event the family must take the new unit before its prescribed notice period has expired, SHA may be responsible for any rent associated with the new unit. However, where SHA requires the family to move due to change in family composition, failure to give notice under the lease will not be considered a program violation.

#### **E. Family Moves with Continued Assistance**

(See also Section XIV, Terminations)

1. If the tenant desires to move, he/she may do so freely upon completion of the first year's term of the lease. However, the tenant must first complete a 30-day written notice, but not more than a 60-day notice, with the SHA stating his/her intention to vacate. A copy of this notice, signed by the tenant, will be sent to the landlord by the SHA.
2. If the tenant desires to move, but has not completed the initial year's term of the lease, the move will not be granted by the SHA unless both tenant and landlord

mutually agree to rescind the lease. If both the landlord and tenant do so agree, they must complete the SHA's Mutual Rescission of Lease form.

3. Due to the excessive administrative costs associated with "convenience" moves, SHA will limit the number of moves a family makes in any twelve-month period to *one* unless the family can show extenuating circumstances such as a need for the additional move due to health reasons, accessibility to schools for the disabled, etc. Each such request will be considered on a case-by-case basis and all such requests must be in writing and accompanied by pertinent supporting documentation (such as a doctor's statement) that will strengthen the family's request.
4. When a family may move: A family may move to a new unit if:
  - 1) the assisted lease for the old unit has terminated. This includes a termination because:
    - (i) the HA has terminated the HAP Contract for the owner's breach; or
    - (ii) the lease has been terminated by mutual agreement of the owner and the tenant.
  - 2) The tenant has given notice of lease termination (if the tenant has a right to terminate the lease on notice to the owner, for owner breach or otherwise).

#### **F. Denying Family Requests to Move:**

A PHA may only deny a family's request to move if it has grounds to do so under the program regulations as follows:

- 1) The PHA has grounds to deny the move because of the family's action or failure to act as described in 24 CFR 982.552 or 982.553.
- 2) The family is a non-resident applicant, or the family was a non-resident applicant that has not yet been assisted in the initial PHA jurisdiction for twelve months since being admitted to the program. (see 24 CFR 982.353(c)).
- 3) The family is an applicant and is not income eligible (see 24 CFR 982.353(d)(1)) in the area which they wish to initially lease a unit.
- 4) The PHA has established policies on the timing and frequency of moves in accordance with 24 CFR 982.314(c)(2), and the requested move does not comply with those policies.
- 5) The PHA does not have sufficient funding for continued assistance to support the move in accordance with 24 CFR 982.314(3)(1).

In addition, the voucher regulations at 24 CFR 982.353(b) further provide that the initial PHA must deny a family's request to move if the family has moved out of its assisted unit in violation of the lease. However, as described in the Federal Register, the Violence Against Women Reauthorization Act of 2013 (VAWA 2013) amended section 8(r) of the U.S. Housing Act to provide an exception to the prohibition against a family moving under the portability provisions in violation of the lease. VAWA 2013 provides that the family

may receive a voucher and move in violation of the lease under the portability procedures if the family has complied with all other obligations of the voucher program and has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence, sexual assault or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit. The Violence Against Women Act of 2013: Implementation in HUD Housing Programs was published in the Federal Register on April 1, 2015.

If the circumstances described above exist, the PHA may allow a family to move under portability procedures if the only basis for the denial is that the family is violating the lease agreement. The PHA may request that the family provide the HUD-approved certification form (Form HUD-50066), or other acceptable documentation in order to verify the family's claim that the request to move is prompted by incidences of abuse in the unit.

#### **G. Denying Family Requests to Move Due to Insufficient Funding**

A PHA may only deny a request to move to a higher cost unit within the PHA's jurisdiction or to a higher cost area in accordance with 24 CFR 982.314(e)(1) if the PHA would be unable to avoid terminations of housing choice voucher assistance for current participants during the calendar year in order to remain within its budgetary allocation (including any available HAP reserves) for housing assistance payments.

The PHA must provide written notification to the local HUD office when they determine it is necessary to deny moves to a higher cost unit based on insufficient funding.

For moves within the initial PHA's jurisdiction, a "higher cost unit" is defined as a unit in which the PHA would have to pay a higher subsidy due to an increase in the gross rent for the new unit.

For portability moves, a "higher cost area" is defined as an area where a higher subsidy amount will be paid for a family because of higher payment standard amounts or "more generous" subsidy standards (e.g., the receiving PHA issues a 3-bedroom voucher to a family that received a 2-bedroom voucher from the initial PHA). Before denying the family's request to move due to insufficient funding, the initial PHA must contact the receiving PHA and confirm via email or other confirmed deliver method whether the receiving PHA will administer or absorb the family's voucher. HUD encourages PHAs to communicate this information via email in order to expedite families' requests. Once the receiving PHA make the commitment to absorb the voucher, they cannot reverse their decision. The receiving PHA is willing to absorb the family, there are no grounds to deny the portability move under 24 CFR 982.314(e)(1). The initial PHA may also take into consideration may reported changes in the family's income or composition that may result in a decreased subsidy amount therefore not resulting in an increased cost to the initial PHA.

The PHA **may not** deny a requested move due to insufficient funding under 24 CFR 982.314(e)(1) simply because the family wishes to move to a higher cost unit within the PHA's jurisdiction or to a higher cost area.

A PHA **may not** deny requests to move, including portability moves, if the subsidy for the new unit is equal to or less than the current subsidy being paid for the family or if the area the family has selected is a lower cost area. A "lower cost area" is defined as an area where the subsidy amount is equal to or lesser than the current subsidy paid because of lower payment standards or less generous subsidy standards (e.g. the receiving PHA

issues a 2-bedroom voucher to a family that received a 3-bedroom voucher from the initial PHA).

A PHA may not deny a family's request to move to a higher cost unit or a higher cost area because it wishes to admit additional families from its waiting list into its voucher program, regardless of whether it has unit months available (UMA) to do so. If the PHA denies a family's request to move, it may not subsequently admit any families to its voucher program until the PHA has followed the policy as described above.

If a PHA approves a family's request to move then subsequently experiences a funding shortfall, the PHA may retract the voucher if the family would be allowed to remain in their current unit. If the family cannot remain in the unit, (e.g. family has already vacated the unit or family has already notified the owner of their intent to vacate and the owner has re-let the unit to another family) the PHA must not retract the voucher. This requirement applies to moves both within the PHA's jurisdiction and to portability moves.

An initial PHA may not terminate a portability voucher under a billing arrangement with a receiving PHA for insufficient funding since the initial PHA is not a party to the HAP contract.

The PHA will inform families by U.S. Mail at the time a move is denied.

A family's request to move will be open for consideration for a period not to exceed 30 days should funding become available to support the move and the family will be notified by U.S. Mail that the move has been approved.

## **H. Assistance to Families Under Lease**

The SHA will plan, develop and coordinate working relationships with human services and social service agencies that can be of help to tenants. The SHA staff will assist in providing information and referral service to tenants. Families who have questions regarding their participation in the Housing Choice Voucher Program, may request assistance from the SHA.

## **I. Family Break-Up**

In the case of family break-up, the SHA has the discretion to decide which members of an assisted family will continue to receive the housing assistance. In making such a determination, the factors to be considered may include: whether the assistance should remain with family members remaining in the original assisted unit; the interest of minor children or of ill, elderly or disabled family members; and whether family members are forced to leave the unit as a result of actual or threatened physical violence against family members by a spouse or other member of the household.

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

In the case where there is no adult remaining family member and there are minors still living in the unit, the Authority will accept proof of legal guardianship of remaining minors and will grant remaining member status subject to all program eligibility considerations.



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**J. Family Absence from Unit**

- a. The family may be absent from the unit for brief periods not exceeding thirty (30) consecutive days. *Absence* means that no member of the family is residing in the unit. In cases where no member of the assisted family is present due to acknowledged vacation, hospitalization or imprisonment, the absence may not exceed 180 days (6 months). If it does, housing assistance will be terminated and the family must reapply for the program.
- b. The family must supply information and certification to the SHA to verify that the family is residing in the unit. The family must also promptly notify the SHA of the absence from the unit, including any information requested about the purpose of the family absence(s).
- c. The SHA will verify family occupancy or absence, including letters to the family at the unit, phone calls, visits or questions to the landlord or neighbors.
- d. Housing assistance payments terminate if the family is absent for longer than the maximum period permitted. The term of the HAP contract and assisted lease also terminate. (The owner must reimburse the SHA for any housing assistance payment for the period after the termination.)
- e. Housing assistance may resume after an absence. If there are extenuating circumstances, such as hospitalization, which keep the family from occupying the unit for a full 12 months, the family may request that assistance be reinstated should they provide evidence that they are not physically capable of returning to the unit.

**K. Repayment Agreements**

If a participant owes money to the SHA, the SHA must require the participant to enter into a repayment agreement or may require repayment on demand. If the participant does not comply with the repayment agreement, the SHA must terminate the participant from the program. However, the SHA will consider extenuating circumstances on a case-by-case basis.

If the SHA determines that the family committed fraud or was grossly irresponsible, the SHA must require the family to enter into a repayment agreement, repay the entire amount in full or have its assistance terminated, since fraud or gross irresponsibility are considered a violation of a family obligation.

In no case does the SHA have a responsibility to enter into a repayment agreement. If the family's assistance is terminated and repayment has not been made, the money will still be considered to be owed and the SHA must still take action to collect the amounts owed.

(See also Section IV, B., Eligibility Criteria, Section XIII, E., Family Moves with Continued Assistance, and Section XIV, B (f), Housing Assistance Terminations.)

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## Section XIV. TERMINATIONS, CLAIMS, COMPLAINTS AND APPEALS

### A. Termination of Tenancy by Owner or Participant

General: Owners must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice and the notice must be given before the commencement of the eviction action.

1. Owner Initiated Lease Terminations: During the term of the lease, the owner may terminate tenancy on the following grounds:

- a. Serious or repeated violation of the terms and conditions of the lease;
- b. Violation of Federal, State or local law that imposes obligations on a tenant in connection with the occupancy or use of the premises; or
- c. Other good cause. However, during the first year of the lease, the owner may not terminate for "other good cause" unless the termination is based on something the family did or failed to do. The following are some examples of "other good cause" for termination of tenancy by the landlord:
  - (i) Failure by the tenant family to accept the offer of a new or revised lease.
  - (ii) Tenant family history of disturbance of neighbors or destruction of property, or of living or housekeeping habits resulting in damage to the unit or property.
  - (iii) Criminal activity by tenant, any member of the household, a guest or another person under the tenant's control, that threatens the health and safety or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity of the premises.
  - (iv) Any drug related criminal activity on or near the premises.
  - (v) The landlord's desire to utilize the unit for personal or family use or for a purpose other than use as a residential rental unit; or
  - (vi) A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, desire to rent the unit at a higher rental).

The owner may only evict the tenant from the unit by instituting a court action.

NOTE: This list of examples is intended as a non-exclusive statement of some situations included in "other good cause," but shall in no way be construed as a limitation on the application of "other good cause" to situations not included in the list. The owner may not terminate the tenancy during the first year of the term of

the lease, for example, for reasons (i), (v) or (vi) of "other good cause."

If termination is due to a "business or economic reason" (i.e. the SHA is unable to approve the amount of rent the landlord is currently charging), or "expiration" of the HAP contract, a written notice must be sent the tenant family in accordance with the lease and state and local law.

- d. If owner initiates an eviction action in accordance with the lease and the family continues to live in the unit, the SHA will continue to make payments until the family moves or is evicted.
- e. The owner will keep the full payment for the month in which the family moves out in "skip" cases. If the family does not skip and the lease is scheduled to terminate during the month, then the owner keeps a prorated payment for the last month.

2. Participant Initiated Lease Terminations:

- a. If the tenant desires to move, he/she may do so freely upon completion of the first year's term of the lease. However, the tenant must first complete with the SHA a 30-Day Notice to Vacate form. A copy of this notice, signed by the tenant, will be sent to the landlord by the SHA.
- b. If the tenant desires to move, but has not completed the initial year's term of the lease, the move will not be granted by the SHA unless both tenant and landlord mutually agree to rescind the lease. If both the landlord and tenant do so agree, they must complete the SHA's Mutual Rescission of Lease form.
- c. If a family moves with continued assistance, the term of the lease for the new unit may begin during the month in which the family moves from the old unit, and payment may overlap for the old and new units. This is not considered a duplicative housing subsidy. The SHA may deny permission to move if there is insufficient funding for continued assistance.

3. HAP Contracts & Terminations: The HAP contract automatically terminates when the lease is terminated or when the tenant moves out. Additional notice of the HAP termination is not provided by SHA.

**B. Housing Assistance Termination**

Program participants in the HCV programs will continue to receive assistance as long as they comply with program obligations. If a participant family fails to abide by the program obligations, they may be terminated from the HCV Program which will result in the discontinuation of the housing assistance in the family's current unit and in all future units.

All participants for whom the SHA intends to terminate assistance will be provided a written notification informing them of the reason for the termination determination and the

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right to request an Informal Hearing. (See section F, for further discussion of Informal Hearings.)

Families whose assistance is terminated for program violations are ineligible for assistance for five (5) years from the date of the termination. This rule does not apply to participants of the HUD-VASH and Emergency Housing Voucher programs.

1. The SHA may terminate housing assistance for the following reasons:
  - a. If the family violates any family obligations under the program. (24 CFR 982.551)
  - b. If any member of the family has been evicted from public housing within the past five (5) years beginning on the date of the eviction, from the date of application.
  - c. If the SHA has ever terminated assistance under the Voucher program for any member of the family within the past five (5) years beginning on the date of the eviction, from the date of application.
  - d. If any member, guest, or visitor of the family commits drug-related criminal activity, or any criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity. (24 CFR 982.553)
    - (i) Arrest and/or conviction is not necessary to trigger a termination under this section and proof of a violation beyond a reasonable doubt is not required.
    - (ii) The tenant shall be obligated to abide by all federal, state, and local laws as well as any and all administrative plans, policies and other rules and regulations adopted by the SHA from time to time in the administration of its HCV Program.
  - e. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
  - f. If the family currently owes rent or other amounts to the SHA or to another HA in connection with HCV or Public Housing assistance under the 1937 Act.
  - g. If the family has not reimbursed any HA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
  - h. If the family breaches an agreement with the SHA to pay amounts owed to a HA, or amounts paid to an owner by a HA.
  - i. If a family has engaged in or threatened abusive or violent behavior toward SHA personnel.
  - j. If any family member fails to sign and submit consent forms for obtaining

information in accordance with 24 CFR part 760 and 24 CFR part 5.

- k. Evidence of citizenship (i.e. the declaration) and eligible immigration status is not submitted by date specified by the SHA.
- l. Evidence of citizenship or eligible immigration status is submitted in a timely manner, but INS primary and secondary verification does not verify eligible status of any family member and:
  - (i) Family does not pursue INS appeal or SHA informal hearing rights or
  - (ii) INS appeal and informal hearing rights are pursued but final appeal and/or hearing is decided against family member.
- m. The tenant has failed to meet his/her required NSPIRE obligations, as well as, NSPIRE obligation in cases where they are responsible for tenant supplied appliances or utilities which must be in the tenant's name and/or the activities of their guests.
- n. The tenant has failed to promptly notify the SHA if any family member no longer resides in the unit.
- o. The family fails to promptly inform the SHA of birth, adoption, or custody of a child and request approval to add any other family member.
- p. The family fails to promptly notify the SHA of any absence from the unit.
- q. If a family participating in the Family Self-Sufficiency (FSS) Program fails to comply, without good cause, with the family's FSS contract of participation.
- r. If any family member illegally uses, or possesses for personal use, a controlled substance. Such use or possession must have occurred within one year before the date the housing authority provides notice to the family of its decision to terminate assistance. The housing authority will not deny or terminate assistance for such use or possession by a family member, if the family member can demonstrate that he or she:
  - (i) Has an addiction to a controlled substance, has a record of such an impairment, or is regarded as having such an impairment; and
  - (ii) Is recovering, or has recovered from, such addiction and does not currently use or possess controlled substances. As a condition of being allowed to reside in the unit, the SHA will require evidence of participation in, or successful completion of, a treatment program from the family member who has engaged in the illegal use of drugs.
- s. The Housing Authority determines that there is reasonable cause to believe that the participant abuses alcohol in a way that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents. The SHA may waive this provision if the participant demonstrates to the SHA's satisfaction that the participant is no longer engaging in abuse of

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alcohol and:

- (i) has successfully completed a supervised drug or alcohol rehabilitation program;
  - (ii) has otherwise been rehabilitated successfully; or
  - (iii) is participating in a supervised drug or alcohol rehabilitation program.
- t. The tenant has a total tenant payment equal or greater than the gross rent for the unit for six (6) months for HAP contracts dated 9/95 or after and twelve (12) months for HAP contracts dated prior to 9/95.
  - u. The tenant fails to comply with required regular annual recertifications upon and after appropriate notification.
  - v. The tenant fails to show up for required inspections upon and after appropriate notification.
  - w. The tenant fails to correct tenant caused deficiencies upon and after appropriate notification.

### **C. Contract Termination**

1. The SHA may terminate, with a 30-day written notice, a contract with a landlord for the following reasons:
  - a. The unit is not in compliance with the National Standards for the Inspection of Real Estate because the owner has refused, or failed to correct the NSPIRE deficiencies after proper notice by the SHA.
  - b. The tenant has moved.
  - c. The tenant has been notified by the SHA to move because the unit is either overcrowded or under occupied.
  - d. The owner has committed any fraud or made any false statement to the SHA or HUD in connection with the contract, or has committed fraud or made any false statement in connection with any federal housing assistance program.
  - e. The unit is determined by the SHA and/or owner to be abandoned or unoccupied.
  - g. The SHA cannot approve the new rent requested by the owner, and the owner will not accept a lower rent.
  - h. The SHA has found it necessary to terminate the tenant's assistance for documented good cause.
  - i. Owner has decided to terminate tenancy for "other good cause" that is a

business or economic reason.

- j. If the owner has violated any obligation under this Contract or under any other Housing Assistance Payments contract under HCV of the U.S. Housing Act of 1937 and Housing Opportunity Through Modernization Act (H.R. 3700, Pub. L. 114-201) as signed into law July 29, 2016, unless otherwise specified.
- k. If the owner has demonstrated any intention to violate any obligation under this Contract or under any other Housing Assistance Payments contract under HCV of the U.S. Housing Act of 1937 and Housing Opportunity Through Modernization Act (H.R. 3700, Pub. L. 114-201) as signed into law July 29, 2016, unless otherwise specified.
- l. For projects with mortgages insured by HUD, or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the Regulatory Agreement; or if the owner has filed any false statement or misrepresentation with HUD in connection with the mortgage or loan.
- m. If the owner has engaged in drug trafficking.
- n. If the owner has engaged in drug-related or violent criminal activity.

**NOTE:** If the SHA determines that a breach has occurred, the SHA may exercise any of its rights or remedies under the Contract. The SHA shall notify the Owner in writing of such determination, including a brief statement of the reasons for the determination. The notice by the SHA to the owner may require the owner to take corrective action (as verified by the SHA) by a time prescribed in the notice. The SHA's rights and remedies under the Contract include recovery of overpayments, termination or reduction of Housing Assistance Payments, and termination of the Contract.

#### **D. CORRECTIVE ACTIONS FOR DECEASED HOUSEHOLDS**

1. **The remaining household member is a Single Member.** For deceased single member households or a household where the remaining household member is a live-in aide; PHAs are required to discontinue HAP to the owner no later than the first of the following month after the month in which the death occurred.

**Note:** The SHA is required to immediately terminate program assistance for deceased single member households which will result in termination of the HAP contract and HAP to the owner in accordance with the aforementioned provisions. The owner is not entitled to HAP for any month following the month in which the death occurred. There are no exceptions to this policy.

2. **The remaining household member is a live-in aide.** When the Head of Household (HOH) dies and the only remaining household member is the live-in aide, the live-in aide is not entitled or eligible for any rental assistance or continue occupancy in a subsidized unit. By definition, the live-in aide would not be living in the subsidized unit except to provide necessary supportive services on behalf of the elderly or disabled HOH. The SHA may not designate the live-in aide to make him or her an eligible household member (eligible for assistance) nor pay HAP on



behalf of the live-in aide for any month after the month in which the HOH died.

3. **The remaining household members are minors.** SHA includes (but is not limited to) allowing a temporary adult guardian to reside in the unit until a court-appointed guardian is established. In accordance with its screening policies, the SHA may add the new guardian as the new HOH. SHA is encouraged to work with the local Department of Social Services to ensure that the best interests of the children are addressed.
4. **Retroactive Repayment of HAP by Owners.** If an owner receives HAP for any month in which the owner is ineligible to receive HAP because of a deceased tenant, the SHA must immediately notify the owner in writing of the ineligible HAP and require the owner to repay the overpayment to the SHA within 30 days. If the owner does not comply, the SHA may deduct the amount due to the SHA from any amounts due to the owner under any other HAP contract. If there is no other HAP contract with the owner, the SHA may seek and obtain additional relief by judicial order or action in accordance with state and local laws.

#### E. **Violence Against Women Reauthorization Act of 2013 (VAWA 2013)**

1. VAWA 2005, signed into law on January 5, 2006 amended March 7, 2013 and reauthorized on March 15, 2022 provides for protections for victims of abuse in the Housing Choice Voucher Program and is incorporated into the HAP Contract and Tenancy Addendum as outlined below:
  - An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking will not be construed as serious or repeated violations of the lease or other “good cause” for termination of the assistance, tenancy, or occupancy rights of a victim of abuse. (Section 8(o)(7)(C) of the U.S. Housing Act of 1937 and HUD Final Rule issued on November 16, 2016.
  - Criminal activity directly relating to abuse, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an affiliated individual of the tenant’s assisted household is the victim or threatened victim of that abuse. (Section 8(o)(7)(C) of the U.S. Housing Act of 1937 and HUD Final Rule issued on November 16, 2016.
  - Notwithstanding the VAWA restrictions on admission, occupancy, or terminations of occupancy or assistance, or any Federal, State or local law to the contrary, a PHA may terminate assistance to or an owner or manager may “bifurcate” a lease, or otherwise remove a household member from a lease, without regard to whether a household member is a signatory to the lease, in order to evict, remove, terminate occupancy rights, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others. This action may be taken without evicting, removing, terminating assistance to, or otherwise penalizing the victim of the violence who is also a tenant or lawful occupant. Such eviction, removal, termination of occupancy rights, or termination of assistance shall be affected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the housing choice voucher

program. (Section 8(o)(7)(C) of the U.S. Housing Act of 1937 and HUD Final Rule issued on November 16, 2016.

- Nothing in Section 8(o)(7)(D)(i) may be construed to limit the authority of a public housing agency, owner, or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up. (Section 8(o)(7)(C) of the U.S. Housing Act of 1937 and HUD Final Rule issued on November 16, 2016.
- Nothing in Section 8(o)(7)(D)(i) limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the owner, manager, or public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate. (Section 8(o)(7)(C) of the U.S. Housing Act of 1937 and HUD Final Rule issued on November 16, 2016.
- Nothing in Section 8(o)(7)(D)(i) may be construed to limit the authority of an owner or manager to evict, or the public housing agency to terminate assistance, to any tenant if the owner, manager, or public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if the tenant is not evicted or terminated from assistance. (Section 8(o)(7)(C) of the U.S. Housing Act of 1937 and HUD Final Rule issued on November 16, 2016.
- Nothing in Section 8(o)(7)(D)(i) shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than Section 8(o)(7)(D)(i) for victims of domestic violence, dating violence, or stalking. (Section 8(o)(7)(C) of the U.S. Housing Act of 1937 and HUD Final Rule issued on November 16, 2016.

## 2. **Occupancy Rights Under VAWA 2013 Final Rule**

The VAWA Final Rule requires SHA to:

- Notify participants of their occupancy rights and remedies available (HUD Form 5380)
- Implement an Emergency Transfer Plan (HUD Form 5381)
- Utilize VAWA Certification (HUD Form 5382)

VAWA forms as they apply to the administration and operation of the HCV program is incorporated within this Administrative Plan as Appendix O.

- **Protection for Applicants:** If an applicant otherwise qualifies for assistance under the HCV Program, they cannot be denied admission or denied assistance because they are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- **Protection for Tenants:** If a tenant receiving assistance under the HCV Program, they may not be denied assistance, terminated from participation, or be evicted from their rental housing because they are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if a tenant or an affiliated individual of the household is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of the household or any guest, they may not be denied rental assistance or occupancy rights under the HCV Program solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

Affiliated individual means spouse, parent, brother, sister, or child, or a person to whom stands in the place of a parent or guardian (for example, the affiliated individual is in the tenant's care, custody, or control); or any individual, tenant, or lawful occupant living in the household.

- **Removing the Abuser or Perpetrator from the Household:** SHA may divide (bifurcate) the lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

If SHA chooses to remove the abuser or perpetrator, SHA may not take away the rights of eligible tenants to the unit or otherwise punish the remaining tenants. If the evicted abuser or perpetrator was the sole tenant to have established eligibility for assistance under the program, SHA must allow the tenant who is or has been a victim and other household members to remain in the unit for a period of time, in order to establish eligibility under the program or under another HUD housing program covered by VAWA, or, find alternative housing.

In removing the abuser or perpetrator from the household, SHA must follow Federal, State, and local termination procedures. In order to divide a lease, SHA may, but is not required to, ask the victim for documentation or certification of the incidences of domestic violence, dating violence, sexual assault, or stalking.

- **Moving to Another Unit:** Upon a tenant's request, SHA may permit them to move to another unit, subject to the availability of other units, and still keep their assistance. In order to approve a request, SHA may require the tenant to provide documentation that they are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the housing provider may ask the tenant to submit a written request or fill out a form where they certify that they meet the criteria for an emergency transfer under VAWA. The criteria are:
  - (1) They are a victim of domestic violence, dating violence, sexual assault, or stalking. If the housing provider does not already have documentation that they are a victim of domestic violence, dating violence, sexual assault, or stalking, the housing provider may ask the tenant for such documentation, as described in the documentation section below.
  - (2) The tenant expressly requests the emergency transfer. The housing provider may choose to require that they submit a form, or may accept another written or

oral request.

- (3) The tenant reasonably believes they are threatened with imminent harm from further violence if they remain in their current unit. This means they have a reason to fear that if they do not receive a transfer, they would suffer violence in the very near future.

**OR**

They are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before they request a transfer. If they are a victim of sexual assault, then in addition to qualifying for an emergency transfer because they reasonably believe they are threatened with imminent harm from further violence if they remain in your unit, they may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which they are seeking your transfer, and that assault happened within the 90-calendar-day period before they expressly request the transfer.

SHA will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families. SHA's emergency transfer plan provides further information on emergency transfers, and SHA must make a copy of its emergency transfer plan available if they ask to see it.

SHA may issue a voucher to a public housing tenant when it has been deemed unsafe for the tenant to transfer to another available public housing unit or if there is no public housing unit available.

- **Documenting Domestic Violence, Dating Violence, Sexual Assault or Stalking:** SHA can, but is not required to, ask tenants to provide documentation to “certify” that they are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from SHA must be in writing, and SHA must give tenants at least 14 business days (Saturdays, Sundays, and Federal holidays do not count) from the day the request was received to provide the documentation. SHA may, but does not have to, extend the deadline for the submission of documentation upon request.

Tenants can provide one of the following to SHA as documentation. It is the tenant's choice which of the following to submit if SHA asks them to provide documentation that they are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- (1) A complete HUD-approved certification form given to the tenant by SHA with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for the name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.
- (2) A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence,

dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.

- (3) A statement, which the tenant must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, “professional”) from whom they sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by the tenant attesting under penalty of perjury that he or she believes that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.
- (4) Any other statement or evidence that SHA has agreed to accept.

If a tenant fails or refuses to provide one of these documents within the 14 business days, SHA does not have to provide them with the protections contained in this notice.

If SHA receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms from two or more members of a household each claiming to be a victim and naming one or more of the other petitioning household members as the abuser or perpetrator), SHA has the right to request that they provide third-party documentation within thirty 30 calendar days in order to resolve the conflict. If they fail or refuse to provide third-party documentation where there is conflicting evidence, SHA does not have to provide them with the protections contained in this notice.

- **Confidentiality:** SHA must keep confidential any information provided related to the exercise of rights under VAWA, including the fact that tenants are exercising their rights under VAWA. SHA must not allow any individual administering assistance or other services on behalf of SHA (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law. SHA must not enter information into any shared database or disclose information to any other entity or individual. SHA, however, may disclose the information provided if:
  - (1) The tenant gives written permission to SHA to release the information on a time limited basis.
  - (2) SHA needs to use the information in an eviction or termination proceeding, such as to evict the abuser or perpetrator or terminate the abuser or perpetrator from assistance under this program.
  - (3) A law requires SHA or the landlord to release the information.

VAWA does not limit SHA’s duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

- **Reasons a Tenant Eligible for Occupancy Rights under VAWA May Be Evicted or Assistance May Be Terminated:** A tenant can be evicted and their assistance can be terminated for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against them. However, SHA cannot hold tenants who have been victims of domestic violence, dating violence,

sexual assault, or stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and tenants could be evicted and their assistance terminated, if SHA can demonstrate that not evicting the tenant or terminating their assistance would present a real physical danger that:

- (1) Would occur within an immediate time frame, and
- (2) Could result in death or serious bodily harm to other tenants or those who work on the property.

If SHA can demonstrate the above, SHA should only terminate assistance or evict if there are no other actions that could be taken to reduce or eliminate the threat.

## **F. Complaints and Appeals**

### **1. Complaints:**

- a. *Discrimination:* If a person encounters discrimination from an owner in obtaining a unit, the SHA will refer them to the local fair housing office or will assist the person in filing a complaint with the Department of Housing and Urban Development with a review of the specific circumstances.
- b. *Tenant/Landlord Complaint Regarding SHA Decision:* If a tenant or landlord disagrees with a decision by an HCV staff person, the following procedure is available:
  - (i) Contact the HCV Manager and discuss the problem. If a settlement cannot be reached, then
  - (ii) Contact the Director of HCV or his/her representative. If a settlement cannot be reached, then
  - (iii) Contact the Executive Director or his/her representative. If a settlement cannot be reached, then

### **2. Appeals:**

- a. *Participants:* The SHA has established an informal hearing procedure which is in accordance with federal regulations. All participant appeals will be handled as specified by these procedures.
- b. *Applicants:* The SHA has established an informal review procedure which is in accordance with federal regulations. All applicant appeals will be handled as specified by these procedures.
- c. All appeals must be received in writing within five (5) business days after the occurrence of the event giving rise to the grievance.

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**G. Informal Hearings**

The purpose of the Informal Hearing is to give the participant an opportunity to review the determination to ensure that it is in accordance with the law, HUD regulations and program rules. The HA will respond to all requested Informal Hearings within seven (7) days from receipt of requests, will schedule a hearing within fourteen (14) days, and will provide the family with a written notice of the results of the Informal Hearing within ten (10) business days of the date of the Informal Hearing.

1. The Informal Hearing will be conducted by a person or persons designated by the HA, other than the person who made or approved the decision under review or a subordinate of this person.
2. The participant must be given the opportunity to examine any HA documents that are directly relevant to the hearing before the hearing. The family must be allowed to copy any such document at the family's expense. If the document is not made available on the request of the participant, the HA may not rely on the document at the hearing.
3. The HA and participant family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.
4. The person who conducts the hearing must issue a written decision stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished to the family within ten (10) business days of the date of the Informal Hearing.

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## Section XV. PROGRAM OBLIGATIONS AND FRAUD

### A. Regulatory Obligations of the Participant

The family will be advised that all parties to the HAP/Lease have obligations pursuant thereto. Specifically, the family will be informed of its obligations under the Housing Choice Voucher which serves as contract between the Authority and the participating contract between the Authority and the participating households. Specifically, the family shall agree to: (24 CFR 982.551)

1. Supply such certification, release information or documentation as SHA or HUD determines to be necessary in the administration of the program including use by SHA for a regularly scheduled reexamination or interim reexamination of Family Income/ Composition in accordance with HUD regulations.
2. Provide an executed HUD Consent Form (Form HUD-9886). The executed consent form will remain effective until the family is denied assistance, the assistance is terminated or the family provides written notification to the SHA to revoke consent. Families have the right to revoke consent by notice to the SHA; however revoking consent shall result in termination or denial of assistance. The SHA is required to notify the HUD Chicago Field Office when an applicant or participant family member revokes consent.
3. Allow the SHA to inspect the dwelling unit at reasonable times and after reasonable notice. For this purpose, SHA will deem as "reasonable times", inspections to occur between the hours of 8:00 AM and 4:00 PM Monday - Friday. "Reasonable Notice" will be considered to be a minimum 24-hour notice period unless inspection is being conducted because of an "emergency" situation (i.e. fire damage, frozen pipes, impending threat to health and safety of occupants, etc.) where NO advance notice may even be possible.
4. Notify the SHA before vacating the dwelling unit (under the same notice period as prescribed in the lease for "notice to the owner")
5. Use the dwelling unit solely for residence by the family, and as the family's principal place of residence
6. Not assign the Lease or transfer the unit.

#### **Additionally, the Family Will be Advised that they SHALL NOT:**

1. Own or have any interest in the dwelling unit.
2. Commit any fraud in connection with the Housing Choice Voucher Program.
3. Receive assistance under SHA's HCV Program while occupying or receiving assistance for occupancy of any other unit assisted under any Federal housing assistance program (including any other HCV program).
4. SHA Determinations Relative to Family Obligations:
  - a) SHA has determined that a copy of the notice to the owner stating the

family's intention to vacate will serve as notice to the Authority.

- b) SHA has determined that should the family fail to allow the Authority entry after three scheduled appointments for unit inspections, then SHA may exercise the right of termination of assistance effective following the 30-day notice of termination of assistance for non-compliance with this obligation of the family.

**B. Regulatory Obligations of the SHA with Respect to Administration of the Housing Choice Voucher Program**

The family will be apprised that SHA has REGULATORY obligations relative to the operation and administration of the Housing Choice Voucher Program and that such responsibilities of the Authority include:

1. Publication and dissemination of information concerning the availability and nature of housing assistance for eligible households;
2. Public invitation to owners to make dwelling units available for leasing by eligible families under the Housing Choice Voucher Program;
3. Development of working relationships and contracts with landlords and appropriate associations and groups;
4. Receipt and review of applications for the HCV program;
5. Verification of family income, composition, etc.;
6. Determination of household "eligibility" and tenant rent;
7. Determination of family subsidy under the Voucher Program;
8. Maintenance of a waiting list of interested families;
9. Issuance of Vouchers to eligible families;
10. Notification to families deemed ineligible for program participation;
11. Conducting family briefing sessions and providing to each participant basic information on:
  - a. applicable inspection standards ("NSPIRE");
  - b. how to search for and select approvable housing;
  - c. owner and tenant responsibilities; and
  - d. basic program rules.
12. Explanation to interested owners of program procedures;
13. Review and action on "Requests for Tenancy Approval";

14. Provision of Housing information to assisted families;
15. Referral of such participant families to appropriate human service agencies upon client request;
16. Making of housing assistance payments to participating owners;
17. Conducting interim/annual reexaminations of family circumstances;
18. Adjustment of the housing assistance payment(s) in accordance with findings of the interim/annual reexam;
19. Conducting inspections which include:
  - a. Move-In;
  - b. Annual;
  - c. Complaint;
  - d. Special;
  - e. Emergency;
  - f. Move-Out/Pre-Move-Out; and
  - g. Quality Control
20. Administration and enforcement of contracts with owners and taking appropriate steps in case of owner non-compliance or default.
21. Compliance by SHA with all Equal Opportunity requirements.

**C. Responsibilities of the Owner Under the HAP Contract**

1. The owner incurs very specific obligations under the Housing Assistance Payments Contract. Specifically, the owner as a participating landlord agrees to:
  - a. Collect only the contract rent as negotiated between SHA and the owner until adjustment by the Authority;
  - b. Collect only the family portion of the rent as determined by SHA;
  - c. Termination of the Contract if 180 days has passed since last housing assistance payment on behalf of family;
  - d. Maintain and operate the Contract unit and related facilities to provide "decent, safe and sanitary" housing pursuant to NSPIRE;
  - e. Provide all utilities/services specified in the lease;

- f. Allow the SHA to inspect the Contract unit and related facilities at least annually and at such other times as may be necessary;
  - g. Maintenance and replacement (including redecoration) in accordance with the standard practice for the building concerned as established by the owner.
- 2. The owner further agrees that acceptance of the HAP payment:
  - a. Is conclusive evidence that the owner has received the full amount of HAP for the month;
  - b. Shall be a certification that the unit meets NSPIRE standards;
  - c. Is leased to the family named in the Contract and the Lease;
  - d. Rent does not materially exceed rents charged by the owner for other comparable unassisted units;
  - e. Evidences that the owner has not and will not receive any payments (other than tenant rent) or other consideration from any other source for rental of the unit;
  - f. The family and SHA do not own or have any interest in the Contract unit;
  - g. Security Deposit:
    - 1. Owner will comply with HUD regulations governing security deposits and will not collect a deposit that is more than the maximum amount specified/permitted under the regulations.
    - 2. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.
    - 3. When the tenant moves out of the dwelling unit, the owner, subject to State or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit or for other amounts the tenant owes under the lease. 24 CFR 982.313 (c)
    - 4. The owner must give the tenant a written list of all items charged against the security deposit, and the amount of each item. After deducting the amount, if any, used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant. 24 CFR 982.313 (d)
    - 5. Owner will add to family's original deposit any interest earned where State law requires deposits to be placed in interest bearing accounts.

6. If the security deposit is not sufficient to cover amounts the tenants owes under the lease, the owner may seek to collect the balance from the tenant.
- h. With respect to "Termination of Tenancy", the owner shall not terminate tenancy except for:
  - 1) serious or repeated violation of the terms and conditions of the Lease;
  - 2) violation of Federal/State or local law which imposes obligations on the family in connection with the occupancy and use of the dwelling unit and surrounding premises; or
  - 3) drug related criminal activity;
  - 4) "other good cause".

The owner may evict the family from the contract unit only by instituting a court action. The owner must notify the SHA in writing of the commencement of procedures for termination of tenancy, at the same time that the owner gives notice to the family under State/local law.

The owner shall not, in the provision of services, or in any other manner, discriminate against any person on the grounds of:

- 1) age
- 2) race
- 3) color
- 4) creed
- 5) religion
- 6) sex
- 7) handicap
- 8) national origin
- 9) "unwed" parents
- 10) families with children born out of wedlock
- 11) family receiving public assistance
- 12) familial status
- 13) disability
- 14) sexual orientation
- 15) gender identity
- 16) marital status
- 17) or any other protected classification

Owner shall comply with all requirements imposed by:

- 1) Title VII of the 1968 Civil Rights Act (and any related rules/regulations) (10b)
- 2) Title VI of the 1964 Civil Rights Act (and HUD regulations issued pursuant thereto)
- 3) Executive Order 11063
- 4) Age Discrimination Act of 1975

- 5) Fair Housing Act, 42, USC. 3610-3619.
- i. Owner shall cooperate with HUD/SHA in conducting compliance reviews and complaint investigations pursuant to all applicable civil rights statutes/Executive Orders/HUD regulations.
- j. Owner shall provide any information pertinent to the HAP contract which SHA/ HUD regulations.
- k. Owner shall provide any information pertinent to the HAP contract which SHA/ HUD may reasonably require.
- l. Owner shall permit SHA/HUD or any of their authorized representatives to have:
  - 1) access to the premises and,
  - 2) access to any books, documents, papers, records to the extent necessary to determine compliance with the HAP contract only.
- m. Owner agrees not to make any transfer in any form of the HAP contract without the prior written consent of SHA.
- n. Owner agrees that HAP contract between owner/SHA is the entire agreement and that no changes will be made except in writing signed by SHA.
- o. Owner agrees the contract shall be interpreted and implemented in accordance with HUD requirements.
- p. Owner warrants that he/she has the legal right to lease the dwelling unit covered by this contract during the contract term.

#### **D. Fraud and Program Abuse**

The SHA must take affirmative steps to prevent the occurrence of intentional and willful program abuse, intentional misrepresentation or fraudulent activity by owners and families as well as by SHA employees. In addition, if evidence of program abuse by any of these parties is discovered by the SHA, it must take immediate steps to cure the situation to maintain SHA credibility concerning enforcement of program requirements.

SHA will provide all participating families, owners and employees with written instructions/information identifying SHA staff to be contacted if program abuse is suspected.

To deter program abuse/fraud, SHA will look at the areas of program administration that might be most susceptible to abuse and take actions to prevent such occurrences. Preventive action might include, but is not limited to:

- notifying all parties of responsibilities under the program
- notifying all parties of actions to be taken IF abuse is suspected
- conducting third-party verification to the extent possible to deter "misrepresentation" by the family

- requiring legal proof of "ownership" (i.e. right to lease unit from owners or owners' agents)
- reviewing information provided by applicant/owner with such parties PRIOR to acting on said information.

### 1. Program Abuse by Tenant

Program abuse by tenants might include (but is not limited to): (1) misrepresenting income, assets and deductions; (2) misrepresenting family composition; (3) initiating and participating in bribes or other illegal activities; and (4) using the subsidized units for reasons other than those prescribed by the program (i.e. sub-leasing; maintaining other residences, etc.).

Where SHA has obtained sufficient evidence of "abuse", the Authority will take actions necessary to terminate the abuse. Such corrective actions might include (but is not limited to):

- terminate assistance
- collect any amounts paid fraudulently
- require the family to move to the right size unit
- prosecute the family under State/Federal law

Treatment of Income Resulting from Welfare Program Requirements: The Springfield Housing Authority will not lower the rent for a family whose welfare benefits are reduced because of fraud, because of the family's failure to participate in an economic self-sufficiency program or because of failure to comply with work activity requirements. However, the SHA may only deny a reduction in the rent after obtaining written verification from the welfare agency.

### 2. Program Abuse by Owner

Owner abuse might include (but is not limited to):

- collecting monies in excess of those prescribed by the Authority (i.e. "side payments"; excess security deposits, etc.);
- collecting HAP for units not occupied by HCV tenants;
- collecting false special claims;
- bribing or attempting to bribe employees to pass units that do not pass NSPIRE.

If SHA has reason to believe the owner is guilty of abusive practices, the Authority can impose the following sanctions:

- cancel the HAP contract
- require repayment of monies collected "illegally" (i.e. repayment to SHA or tenant)
- bar the owner from further/future participation
- prosecute under Federal/State law

### 3. Program Abuse by SHA Employee(s)

SHA will simply not tolerate abuse by employees. "Abuse" by employees might include (but is not limited to):

- willful acceptance of units that fail NSPIRE;
- accepting "kick-backs" from owners/managers/tenants/others to permit participation of certain tenants or to allow rents that exceed the rent-reasonableness criteria;
- moving applicant households up on the waiting list;
- intentionally miscalculating tenant rent;
- certifying "ineligible" families as "eligible", etc.

Corrective action on employee abuse might include:

- actions outlined in personnel policy (suspension, firing, demotion, etc.);
- prosecution under Federal/State law.

## **E. In-House Procedures for Reporting Fraud and Abuse**

If any staff should find evidence of suspected fraud/program abuse, that staff person should send a cover letter and a synopsis of the abuse to the Program Integrity Specialist, the HCV Manager and the Director of HCV. At the beginning of the synopsis the following information should be provided:

- suspect's name
- landlord's name/address (if this is a case of tenant abuse)
- HAP contract number/name of tenant (if this is a case of owner abuse)

The synopsis should then be broken into four (4) parts:

- summary of the "findings", including a chronology of the fraud and/or abuse and identity/address of any witness(es)
- proposed corrective/administrative action recommended
- statement regarding the period of abuse/monetary loss (if any)
- recommendation for "Referral for Prosecution" if the abuse warrants such action.

Upon receipt of the staff findings, the Program Integrity Specialist, HCV Manager and Director of HCV of the SHA will determine the appropriate action to be pursued.



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## **Section XVI. MODERATE REHABILITATION PROGRAM AND PROJECT-BASED VOUCHER PROGRAM**

### **A. Moderate Rehabilitation Program**

#### **1. Income Limits**

To determine eligibility for a specific Moderate Rehabilitation property, only Very Low-Income families may be admitted to projects with HAP contracts effective on or after October 1, 1981, unless HUD grants an exception. For contracts effective prior to October 1, 1981, the Low-Income Limit will be used.

#### **2. Application and Tenant Selection**

The Moderate Rehabilitation Program waiting list is merged with the HCV list. Applicants who are not interested in the Moderate Rehabilitation program remain on the list until a Voucher is available.

Owners of Moderate Rehabilitation developments must notify SHA when they have vacancies. Upon notification, SHA will refer a pool of eligible applicants, needing the appropriate unit sizes and types which are available from the waiting list in accordance with the preference policies described in Section IV, D., Placement on and Selection from the Waiting List.

If SHA is unable to refer sufficient suitable applicants within 30 days of notification, the owner may advertise for eligible applicants. These applicants must be referred to SHA to determine eligibility.

#### **3. Family Moves**

Because the assistance is tied to the development, families moving into an HCV Moderate Rehabilitation development lose their subsidy once they move off of the property. Therefore, the rules describing issuance and extensions of Vouchers in Section X, C., and portability and family moves in Sections XI, B and XIII, F. is not applicable to Moderate Rehabilitation program households.

#### **4. Annual Adjustments**

After the initial year, owners may request an increase at least 60 days before the next annual anniversary date or HAP expiration date, whichever is sooner but must provide written notice of any proposed increase to the family, in accordance with the lease and contract, and to the SHA. The increase will not be approved unless the increased rent meets rent reasonableness requirements. 24 CFR 982.519 (6)

#### **5. Issuance/Briefings**

Moderate Rehabilitation families selected from the waiting list, or referred by the owner, will receive a separate briefing from Voucher families and will be issued a Statement of Family Responsibility instead of a Voucher. Similar topics will be discussed in the briefing and, at a minimum, will include:

- Information on calculating the TTP, Tenant Rent and HAP and SHA's current utility

allowance schedule;

- Significant aspects of applicable State and local laws as well as Federal, State and local fair housing laws;
- A statement and explanation that the subsidy is tied to the unit;
- Family and owner responsibilities under the lease and contract;
- The advisability and availability of lead-based paint screening for children under age seven and SHA's responsibilities to inspect for, test and in some cases, abate lead-based paint; and
- For all families to be temporarily relocated, a discussion of relocation policies.

#### 6. Overcrowded, Over Housed Families

If a family become overcrowded or over housed in a unit, the owner must offer the appropriate size unit in the property, if available. If no such unit is available, SHA will assist the family in locating standard housing of the appropriate size in another Moderate Rehabilitation development. If no appropriately sized unit is available within 90 days, SHA will issue a Voucher providing the family is eligible under these programs. The family's subsidy will not be terminated unless the family rejects, without good reason (according to SHA) the offer of an acceptable unit.

#### 7. Termination of Assistance

A current, participating family will continue to receive housing assistance payments until the family's Total Tenant Payment equals or exceeds the Gross Rent for the unit. This termination of assistance will not affect the family's rights to the unit and will not preclude the family from receiving assistance in the future should there be changes in the family's income or the rent for the unit.

A family's assistance may also be terminated in accordance with HUD requirements based on drug-related or violent criminal activity or for violating the terms identified in the Statement of Family Responsibility or the lease. A family may also be denied for failure to meet disclosure and verification requirements for citizenship/eligible immigration status, or failure to sign and submit consent forms such as the HUD-9886.

#### 8. Informal Review

If an applicant family is determined to be ineligible for the HCV Moderate Rehabilitation program, SHA will inform the family of its right to request an informal review within a specified period of time. After the hearing, if SHA believes the family is ineligible based on a preponderance of evidence, SHA will notify the family of the decision in writing.

#### 9. Owner Breach of Contract

If the owner evicts a family in violation of the contract or otherwise breaches the contract, the family is not at fault and the family is eligible for continued assistance, SHA will issue the family a Voucher.

SHA will also, in accordance with program regulations, terminate the unit from the HAP Contract if the owner violates the terms of the contract and fails to remedy the breach as required by SHA. Such circumstances would include violations of NSPIRE, or evictions of families in violation of the HAP Contract.

## **B. Project-Based Voucher Program**

The Project Based Assistance law was enacted in 1998 under the QHWRA through the Certificate and Voucher Merger and revised under the Housing Opportunity Through Modernization Act (HOTMA). The program is governed under 24 CFR Part 983 entitled the Project Based Voucher (PBV) Program.

### **1. Overview**

The Springfield Housing Authority selects to participate in and administer the PBV program. The rental assistance is attached to the structure. The SHA will enter into a HAP contract with the owner for the units of existing housing or newly constructed or rehabilitated housing. During the term of the contract, the SHA will make HAP payments to the owner for the units leased and occupied by eligible families.

Through the SHA's HUD approved Move to Work designation, the Springfield Housing Authority elects to provide up to 25% of its Consolidated Annual Contributions Contract (ACC) authorized units as allocated by HUD for use in the Project Based Voucher program. [MTW Waiver Effective January 1, 2024] The PBV program requires compliance with all equal opportunity requirements under federal law and regulations including the authorities cited at 24 CFR 5.105(a). The SHA may not provide PBV assistance for housing types inclusive of, but not limited to the following:

- Shared housing;
- Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
- Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care or intermediate care;
- Units that are owned or controlled by an educational institution or its affiliate and are designed for occupancy by students of the institution;
- Manufactured homes;
- Cooperative housing;
- Transitional housing;
- Owner occupied units;
- Hi-rise family units (without prior HUD approval); or
- For units occupied by families that are in-eligible for Project Based Assistance based upon local PHA admittance criteria.
- The SHA may allow FUP, Mainstream or VASH vouchers to be Project Based subject to the same requirements.

SHA may utilize the 10% exception to the PBV program cap for units that meet the following exception criteria:

- The units are specifically made available to house individuals and families who are homeless;
- The units are specifically made available to house families that are comprised of or include a veteran; or

- The units provide supportive housing to persons with disabilities or to elderly persons.

Additionally, the SHA may not provide PBV assistance to the following types of assisted units in accordance with 24 CFR 983.54:

- A public housing dwelling unit;
- A unit subsidized with any other form of HCV assistance (i.e. tenant based or project-based assistance);
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 / Section 521 / Section 202 / Section 811 / Section 101 rental assistance payments;
- A unit subsidized with any form of tenant-based rental assistance (i.e. HOME funded programs); or
- A unit with any other duplicative federal, state or local housing subsidy.

2. Selection of PBV Proposals

The SHA provides a rolling Request for Proposal (RFP) for project-based vouchers. The RFP applications are accepted monthly. Detailed application and selection information will be included within the Request for Proposal document.

The SHA may select PBV proposals by either of the following methods:

- PHA Request for Proposals – The PHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV on different sites; or
- Selection of a proposal for housing assisted under a federal, state or local government housing assistance community development or supportive services program that requires competitive selection of proposals, 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 and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

The SHA will provide the selected owner with prompt written notice of the selection as well as the terms of the project-based voucher program award. The SHA will make documentation available for public inspection regarding the basis for the selection of a PBV proposal.

SHA may attach PBV assistance to units in a project in which SHA has an ownership interest or over which SHA has control without following a competitive process. SHA must be engaged in an initiative to improve, develop, or replace a public housing property or site.

- a. Ownership interest is when SHA or its officers, employees, or agents are in an entity that holds any direct or indirect interest in the project in which the units are located, including, but not limited to, an interest as: titleholder; lessee; stockholder; member, or general or limited partner; or member of a limited liability corporation. Ownership interest also includes a scenario in which SHA is the lessor of the ground lease for the land upon which the PBV project to improve, develop, or replace the public housing property is located

or will be constructed.

- b. In order to be subject to this non-competitive exception, the following conditions must be met:
  - SHA must be engaged in an initiative to improved, develop, or replace the public housing properties or sites, whether in the public housing inventory or removed from the public housing inventory within five (5) years of the date on which SHA entered into the AHAP or HAP pursuant to the non-competitive selection;
  - If SHA plans rehabilitation or new construction, a minimum threshold of \$25,000 in hard costs per-unit is required;
  - If SHA plans to replace public housing by attaching project-based assistance to existing housing in which SHA has an ownership interest or over which SHA has control, then the \$25,000 per-unit minimum threshold does not apply as long as the existing housing substantially complies with HUD's National Standards for the Inspection of Real Estate.
- c. In order to be non-competitively selected under this provision, the units must be eligible for PBV assistance in accordance with 24 CFR 983.53, and the selection of the units must satisfy all other statutory and regulatory requirements of the PBV program. Unless otherwise exempt, units non-competitively selected under this section are subject to the program cap and income-mixing requirements.

### 3. Cap on Number of PBV Units per Assisted Project

The SHA may only select proposals and enter into HAP contracts to provide PBV assistance for the greater of 25 units or 25% of the units in the project.

PBV units will not be counted against the 25% cap for the following types of assisted units:

- Units in a single-family building; or
- Excepted units in a multi-family building that are specifically made available for qualifying families.
  - Qualifying families includes elderly families **OR** families eligible for supportive services available to all families receiving PBV assistance in the project, such as:
    - Case management;
    - Life Skills;
    - Individual and/or group counseling; or
    - Substance Abuse services.
  - The owner must set aside the number of excepted units made available for occupancy by qualifying families;
  - The SHA will determine the percentage of units per project for qualifying families (between 25% and 100%) to assist based upon the total budget authority available for project-based assistance.
- PBV units in projects that are in a census tract with a poverty rate of 20% or less are subject to a higher (40%) cap.

### 4. Site Selection Standards

The SHA may select a proposal for existing, new construction or newly

rehabilitated housing on a site and enter into a HAP contract for those units meeting the following general criteria:

1. Project based assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing or economic opportunities based upon the following considerations:
  - a. Is the proposed PBV development in a HUD designated Enterprise Zone, Economic Community or Renewal Community?
  - b. Is the proposed PBV development located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition?
  - c. Is the census tract in which the proposed PBV development is located undergoing significant revitalization?
  - d. Have federal, state or local dollars been invested in the area to achieve the deconcentration of poverty and expansion of housing or economic opportunity?
  - e. Are new market rate units being developed in the same census tract as the proposed PBV development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area?
  - f. If the poverty rate in the area where the proposed PBV development will be located is greater than 20%, the SHA may look at the poverty trend over the previous five (5) years.
  - g. Are there meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located?
2. The site is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 and any other subsequent acts outlining fair housing.
3. The site meets the National Standards for the Inspection of Real Estate as outlined by 24 CFR 982.401.

5. Existing and Rehabilitated Housing Sites

A proposed site for existing or rehabilitated housing must meet the following site and neighborhood standards. The site must:

- Be adequate in size, exposure and contour to accommodate the number and type of units proposed and adequate utilities and streets must be available to service the site;
- Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial and health facilities and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted standard housing of similar market rents;
- Be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive.

6. New Construction Housing Sites

A proposed site for new construction housing must meet the following site and neighborhood standards. The site must:

- Be adequate in size, exposure and contour to accommodate the number and type of units proposed and adequate utilities and streets must be available to service the site;
- Not be located in a racially mixed area if the project will significantly increase the proportion of minority to non-minority residents in the area;
- Not be located in a minority concentrated area unless the following applies:
  - Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration; or
  - The project is necessary to meet overriding housing needs that cannot be met in that housing market area;
  - The distribution of PBV assisted units is reasonable and over a period of several years will approach an appropriate balance of housing choices within and outside of minority concentration;
- Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions;
- Be accessible to social, recreational, educational, commercial and health facilities and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted standard housing of similar market rents;
- Except for new construction housing designed for elderly persons, be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive.

#### 7. Environmental Review

PBV selected sites are subject to HUD environmental regulations within 24 CFR parts 50 and 58. The SHA may not enter into a PBV HAP contract with an owner until one of the following occurs:

- The responsible entity has completed the environmental review procedures required by 24 CFR part 58 and HUD has approved the environmental certification and request for release of funds;
- The responsible entity has determined that the project to be assisted is exempt under 24 CFR 58.34 or is categorically excluded and not subject to compliance with environmental laws under 24 CFR 58.35(b); or
- HUD has performed an environmental review under 24 CFR part 50 and has notified the PHA in writing of environmental approval of the site.

Upon any environmental findings, as applicable, the owner is required to carry out mitigating measures required by the responsible entity in order to enter into a HAP contract with the SHA.

#### 8. National Standards for the Inspection of Real Estate (NSPIRE)

Assisted units under the PBV program are subject to the National Standards for the Inspection of Real Estate (NSPIRE) as outlined in 24 CFR 982.401.

The Springfield Housing Authority will conduct NSPIRE inspections of individuals units prior to selection of the site and again prior to execution of the HAP contract for each assisted unit. Additionally, for each assisted family in the units, annual inspections will be conducted as well as turnover inspections (move in and move out inspections when the unit becomes vacant and then again leased up). The SHA reserves the right to inspect the unit at any time outside of the aforementioned times (i.e. quality control inspections, tenant complaint or landlord complaint inspections).

9. Lead Based Paint

The lead-based paint requirements under 982.401 do not apply to PBV programs, however, the Lead-Based Paint Poisoning Prevention Act and the Residential Lead Based Paint Hazard Reduction Act of 1992 and implementing regulations at 24 CFR part 35, subparts A, B, H and R apply to the PBV program.

10. Housing Accessibility

The proposed and selected housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8. The SHA shall ensure that the percentage of accessible dwelling units complies with said requirements.

In addition, housing first occupied after March 13, 1991 must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205 as applicable.

11. Execution of HAP Contracts

The SHA may enter into a HAP contract with the selected owner for an initial term of not less than one (1) year and not to exceed twenty (20) years for each contract unit.

At any time during the initial term, the SHA may agree to extend the term of the HAP contract up to an additional twenty (20) years if the SHA determines that an extension is appropriate to continue providing affordable housing for low-income families.

SHA may further extend the HAP contract beyond twenty (20) years from the end of the initial term as long as the following conditions are met:

- SHA determines such extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities;
- This determination must be made no earlier than 24 months prior to the expiration of the HAP contract; and
- The term of the new extension may not exceed twenty (20) years

Regardless of the length of the extension, all such extensions must meet these same conditions.

The HAP contract will state that the SHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or the SHA in accordance with HUD instructions. In the event appropriated funds are insufficient to fund all vouchers administered by the SHA, the SHA must implement cost-saving measures before terminating any PBV HAP contract. The owner may terminate the HAP contract, upon notice to the SHA, if the amount of



the rent to owner for any contract unit is reduced below the amount of the initial rent to owner at the beginning of the HAP contract term. In such cases, the assisted families residing in the contract units will be offered tenant-based voucher assistance.

At the discretion of the SHA, and subject to all PBV requirements, the HAP contract may be amended at any time during the contract term for the following requests:

- To substitute a different unit (pending completion of NSPIRE inspection) with the same number of bedrooms in the same building for a previously covered contract unit.
- To add contract units, without being subject to competitive selection procedures, provided that the total number of units in a building that will receive PBV assistance does not exceed the greater of 25 units or 25% of the number of dwelling units in the project, or 20% of the SHA's Consolidated Annual Contributions Contract (ACC) authorized units.
- To reduce the number of contract units by the number of units that has been vacant for a period of 120 or more days.

The amendment is subject to all PBV requirements as stated in Section XVI. 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 in place under the HAP contract.

#### 12. Owner Responsibilities

The owner must maintain and operate the contract units and premises in accordance with the National Standards for the Inspection of Real Estate including performance of ordinary and extraordinary maintenance. In addition, the owner is responsible for providing all services, maintenance, equipment and utilities as specified in the executed HAP contract.

At any time in which the owner does not maintain the units and premises in accordance with the National Standards for the Inspection of Real Estate as outlined in this Administrative Plan under Section XII – Housing Assistance Payment Contract, F. Rent Abatement & Contract Termination for NSPIRE Violations.

#### 13. Tenant Selection

The SHA will select families from a separately established waiting list for the selected PBV program site. Not less than 75% of the families admitted to the tenant based and project-based voucher programs will be extremely low-income families.

The SHA may only provide rental assistance to families determined eligible at the commencement of PBV assistance in accordance with the Administrative Plan, Section IV Program Eligibility. In order to further meet the housing needs of special needs populations through the project-based voucher program (i.e. permanent supportive housing, specific court-based management programs (drug court, mental health court, etc.), and through provisions set forth in 24 CFR 982.553, the SHA may allow alternate eligibility criteria relative to criminal history if the PBV development offers on-site, supportive services to the families served.

Project-based vouchers competitively awarded to developments with on-site, supportive services may request reduced criminal history eligibility criteria in order to meet the housing needs of special needs populations. Screenings for lifetime sex offender status and convictions of drug-related activity for manufacture or production of methamphetamine on the premises of federally assisted housing must continue and are not waivable.

Should the tenant be “in-place” in the assisted unit, the tenant will be placed on the SHA’s waiting list for the PBV program development in order to minimize displacement of existing residents.

In selecting families to occupy PBV units with special accessibility features for persons with disabilities, the SHA must first refer families who require such accessibility features to the owner.

Once a family has been determined eligible, the head of household will be invited to attend a briefing session as outlined in the Administrative Plan, Section X Issuance of Housing Choice Vouchers and Briefing of Families.

Should the tenant be terminated by the owner for good cause, the tenant will not be eligible for a tenant-based voucher upon lease termination. Should the owner choose not to renew the lease without good cause, the tenant will be offered a tenant-based voucher.

The assisted family has the right to terminate the lease any time after the initial one-year lease term with advance written notice of intent to vacate. In such instances that the family is in good standing with the owner, the family may request continued assistance either through another project-based voucher program or a tenant-based voucher. If continued assistance is not immediately available, the family will receive priority in receiving the next available opportunity for continued tenant based rental assistance. Should the family terminate the assisted lease prior to the initial one-year term, the family relinquishes the opportunity for continued tenant-based assistance.

PBV-assisted families have a right to remain in the project at the end of the PBV HAP contract with tenant-based assistance for as long as the project is used for rental housing and the unit is otherwise eligible for HCV assistance.

- An owner may not terminate the tenancy of a family that exercise its right to remain except for in response to serious or repeated lease violations, or other good cause.
- A family that remains in its unit with continued tenant-based HCV assistance must pay the total tenant payment (determined under 24 CFR part 5 subpart F) and any additional amount by which the unit rent exceeds the applicable payment standard. The family’s initial share of the rent may exceed forty (40) percent of the family’s adjusted monthly income, irrespective of the normally applicable restriction on the amount a family may pay when initially assisted in any unit at 24 CFR 982.305(a)(5).
- All other HCV program rules apply to families who remain in the project.

14. Rent to Owner

The amount of initial rent to owner is determined prior to execution of the HAP

contract in accordance with the Administrative Plan Section XI, Unit Selection and Approval, K – Initial Contract Rents. There is an exception of initial contract rents for certain tax credit units as follows:

- A contract unit that receives a low-income housing tax credit under the IRS Code of 1986; or
- The contract unit is not located within a qualified census tract; or
- In the same building, there are comparable tax credit units of the same unit bedroom size as the contract unit and the comparable tax credit units do not have any form of rental assistance other than the tax credit; or
- The tax credit rent exceeds the applicable fair market rent.

In such excepted tax credit units, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

The initial contract rent for any other tax credit unit, not included in the aforementioned list, will be determined in accordance with the Administrative Plan Section XI, Unit Selection and Approval, K – Initial Contract Rents.

For units assisted under the HOME program, rents may not exceed the rent limits as required by the HOME program.

15. Payment to Owner

The SHA will administer payments to owners as outlined in Section XII, Housing Assistance Payments.

16. Tenant Rent / Payment to Owner

The SHA will administer payments to owners as outlined in Section VIII, Computing Total Tenant Payment and Tenant Rent.

### **C. Enhanced Vouchers & Housing Conversions**

When a HAP contract for a project-based assisted development ends, what were once project-based units are converted to unassisted units. This is called a housing conversion action. Housing conversion actions occur when existing, project-based units are converted to unassisted units. In this case, “project-based” refers to various forms of project-based assistance, but does not refer to units with project-based vouchers.

If units lose their assistance as a result of a housing conversion action, this affects families who live in the units and are assisted under the HAP contract. In order to protect such families, HUD issues them housing choice vouchers. Some conversion actions result in issuing regular housing choice vouchers to the affected tenants. Other conversion actions result in issuing enhanced vouchers. In either case, these are considered “special admission vouchers” because the families who receive them are not selected from the waiting list.

Depending on the conversion action, HUD determines whether the situation qualifies for regular or enhanced vouchers, with the local PHA is then responsible for their administration.

There are four different types of Housing Conversion Actions:

- **Preservation Prepayment:** when an owner prepays a HUD-insured mortgage or voluntarily terminates the mortgage insurance and there are no longer any rent or income limitations on that project. This means that owners are free to raise the rent, making the units unaffordable to current residents even if they were provided a traditional voucher. For this reason, Congress provided funding and authorization for enhanced vouchers to protect residents of such projects.
- **HCV Out:** if a private property owner chooses not to participate in a rental assistance, HUD provides enhanced vouchers for the eligible residents who were assisted under the project-based contract on the date of contract expiration. Families also receive enhanced vouchers when a rent supplement contract ends at the expiration of a project-based HCV HAP contract. When a rent supplement contract ends and there is NOT an expiring project-based contract at the project, regular vouchers are issued to eligible low-income families.
- **HUD Enforcement Action:** HUD may terminate an HCV HAP contract due to an enforcement action against the owner. This is called a HUD enforcement action. When this occurs, the residents are generally provided traditional vouchers because in many cases the tenants will not be able to remain in their present units. This is particularly true if the enforcement action involves the suspension or debarment of the owner. If HUD suspends or debars the owner, a PHA would not be allowed to enter into an HCV voucher contract with him or her. A PHA may also reject a unit for voucher assistance if the owner has a history of not complying with NSPIRE or has otherwise violated the project-based HAP contract. Families would be eligible for enhanced vouchers if HUD terminates the HAP contract, but the property is turned over to new owners.
- **Property disposition:** when an FHA mortgage goes into default and HUD is the mortgagee-in-possession. In cases such as this, the property is often sold under the property disposition program. With property disposition, regular vouchers are provided to families.

A PHA may use any vouchers not issued to housing conversion action families for families on the regular waiting list. SHA's policies regarding screening and denial for admission will be the same as those used for waiting list admissions.

During the initial determination of tenant income, SHA may use owner certifications only if the certification is no more than six (6) months old as of the voucher issuance date. SHA will also conduct yearly reexaminations of family income and composition.

SHA may issue special admission vouchers in accordance with subsidy standards, not the actual size of the unit the family is currently occupying. There is, however, a special rule for families who live in over-sized units who wish to stay at the property. This exception only applies to enhanced voucher assistance.

Because special admission vouchers are meant for families who are adversely affected by housing conversions, SHA may provide families with the maximum search time that is reasonably required to locate housing. Whether the family is

staying in the unit or moving to a new location, the SHA must still approve the assisted tenancy in accordance with program requirements. This means that regardless of whether the voucher issued is regular or enhanced, rent reasonableness requirements still apply. Therefore, if the family chooses to stay in the unit, rent must be reasonable in comparison to similar unassisted units, based on the “as is” condition of the unit. The SHA may not base the rent reasonableness determination on any pending or planned enhancements to a property. If the rent is not reasonable, the family must move to benefit from the voucher assistance. The family may not choose to pay unreasonable amount out of pocket.

Similarly, the SHA must inspect the unit and ensure the unit meets the National Standards for the Inspection of Real Estate of the program. The SHA may not make housing assistance payments to cover any period prior to the date the unit meets NSPIRE standards. There are no exceptions to the normal National Standards for the Inspection of Real Estate.

For families staying at the project, the HAP contract may not be effective prior to the eligibility event date. For a family that is moving, the SHA may execute a HAP contract that is effective before the target date. Program requirements for HAP contracts still apply to special admission vouchers. The SHA may execute the HAP contract up to 60 calendar days after the approved lease term commences. After the unit is approved for leasing, the SHA will pay retroactive housing assistance payments to cover the portion of the approved lease term before the HAP contract was executed. Any HAP contract executed after the 60-day period is void, and the SHA may not pay any housing assistance payment to the owner.

In order for a family to be eligible as a result of a preservation prepayment, the resident must be living in the property on the effective date of the prepayment and must be a low-income family, a moderate-income elderly or disabled family, or a moderate-income family residing in a low vacancy area. HUD determines whether the project is located in a low vacancy area. In order for a family to be eligible as a result of an owner opt-out, the resident must be a low-income family and residing in a unit covered by the expiring contract on the date of expiration. Income targeting requirements do not apply to families admitted to the program as a result of a housing conversion action.

In some circumstances, a family might be eligible for an enhanced voucher, but receives no HAP payment because the family's total tenant payment (TTP) is equal to or greater than the gross rent. If this is the case, and the family wishes to stay in the project, the family's eligibility period is extended for three years. The PHA must keep a record of the eligibility determination should this happen. The PHA must also inform the family of this three-year potential eligibility, and that if rent increases or the family's income decreases during this time, the family may contact the PHA. In the event that the family's income does decrease or the rent increases within the three-year period, and that change would result in a HAP payment, the PHA will then execute a HAP contract for the family. However, the family is ultimately responsible for contacting the PHA if the family's income decreases or the rent increases.

The special payment standard that applies to enhanced voucher assistance is crucial to what makes a voucher “enhanced.” This is because for families that stay in the same unit, the payment standard is the gross rent, regardless of whether this may be greater than the normally applicable payment standard. The gross rent is the new

rent to owner plus the applicable PHA utility allowance. If the gross rent is less than your PHA's payment standard, the regular payment standard rules apply.

The payment standard used to calculate the family subsidy will continue to be enhanced to match the gross rent for as long as the family lives in the same project. Put simply, the enhanced payment standard will increase to cover subsequent rent increases. This must be done in accordance with the lease, state and local law, and voucher program regulations. The rent must be reasonable. If a change in the PHA's utility allowance affects the gross rent for an enhanced voucher family, the SHA must adjust the enhanced payment standard accordingly. Even if an eligible family's gross rent is less than the PHA's payment standard, you must identify the family as enhanced voucher eligible. This is because the enhanced payment standard may apply to subsequent rent increases.

Another important factor pertaining to enhanced vouchers is the family unit size. Basing the voucher bedroom size on subsidy standards could mean that the family qualifies for a smaller unit size than the current unit. If the bedroom size of a family's unit exceeds the number of bedrooms for which the family qualifies under the PHA's subsidy standards, then the family is over-housed. If at any time the family chooses to move from the project with continued assistance, the normal tenant-based voucher program rules would apply to calculating the subsidy for the new unit.

If a family wishes to stay in the project with enhanced voucher assistance, but qualifies for a smaller unit size than the actual size of their current unit, the family must move to an appropriate-sized unit in the project if one is available. The enhanced voucher HAP calculation would then be based on the gross rent of the appropriate-sized unit.

If no appropriate-sized units are available, but a unit is available that is smaller than the family's current unit but not smaller than the unit size for which the family qualifies, the family must move to the smaller unit within a reasonable time, as determined by the PHA but not to exceed 30 days. The enhanced voucher HAP calculation would then be based on the gross rent of the smaller unit. If no appropriate-sized units are currently available in the project, the PHA executes a HAP contract for the oversized unit, and the subsidy calculation will continue to be based on the gross rent for the oversized unit until an appropriate-sized unit becomes available. When an appropriate-sized unit does become available, the family in the oversized unit must move into it within a reasonable amount of time (as determined by the PHA but not to exceed 30 days) to continue to receive enhanced voucher assistance. Extensions may be granted in cases of extreme hardship as defined by the PHA.

If there are more over-housed families in a project than the number of available appropriate-sized units, the PHA determines the process for deciding the order in which over-housed families move to appropriate-sized units as the units become available. The PHA must establish a fair and nondiscriminatory method for offering the appropriate-sized units to families. The PHA may consider longevity in the unit, age, frailty, or willingness to move, or may select the families by lottery.

If a family refuses to move to an available appropriately sized unit, or refuses to move to an available smaller unit, the normal voucher subsidy formula applies to calculating the family's HAP for the oversized unit, and the family becomes

responsible for any amount of the gross rent not covered by the HAP. In implementing its policies, the PHA must ensure effective communication for persons with disabilities and for persons with limited English proficiency.

If the size of a family increases, and this in turn causes the unit to become overcrowded under NSPIRE, the family must move to continue voucher assistance. The PHA and the family must try to find an acceptable unit as soon as possible. The PHA must assist the family in locating other housing in their jurisdiction. The PHA must terminate the HAP contract if the family refuses an acceptable unit without good cause. If the family moves to a larger unit in the project, enhanced voucher rules apply. If the family moves out of project, regular voucher rules apply.

If the family size decreases, the family may no longer qualify for the current unit, and the gross rent may exceed the payment standard for reduced voucher bedroom size. This would mean that the change has made the family over-housed. In this case, the rules for over-housed families will apply.

The enhanced voucher minimum rent requirement is a special, statutory requirement which applies only to enhanced voucher assistance. Essentially, the law requires that the family must continue to pay at least the amount of rent they were paying on the eligibility event date. Enhanced voucher minimum rent only applies if the family remains in the project. If the family moves, the rule no longer applies. Minimum rent is calculated a bit differently for families who were assisted under the regular voucher program at the time of a preservation prepayment or voluntary termination if they choose to stay and receive the enhanced subsidy. These families must pay at least the family share they were paying on the date of the prepayment or voluntary termination. A significant decrease in a family's income also changes the minimum rent requirement in terms of how it is calculated. Whereas normally the minimum rent is a specific dollar amount, it changes to a specific percentage of income if the family suffers a significant decline in income.

A "significant decrease" is at least 15 percent. The percentage of income for the minimum rent will not exceed the greater of 30 percent or the percentage of monthly adjusted income actually paid by the family for rent (the rent to owner plus tenant-paid utilities) as of the prepayment date. Whether a family was previously assisted or unassisted, minimum rent becomes the greater of either the percentage of adjusted monthly income paid for gross rent on the eligibility event date (TTP or family share for the assisted families), or 30 percent of the family's current adjusted income.

For example, assume a previously unassisted family paid \$500 for gross rent on the effective date of the prepayment, which was equal to 35 percent of the family's adjusted monthly income. If that family suffered a significant decrease in income after becoming an enhanced voucher family, that family would then be responsible for paying 35 percent of their decreased income as minimum rent. This is because in this particular example, 35 percent is the greater percentage.

This formula would have less application for previously assisted families, since they would have already been required to pay 30 percent under the housing choice voucher subsidy formula. This means their enhanced voucher minimum rent wouldn't be greater than 30 percent. When a family reports a significant decrease in income, the PHA must conduct an interim redetermination and verify the change in income as soon as possible to prevent any hardship for the family.

The housing assistance payment for a family in the project will equal the gross rent for the unit minus the greatest of:

- 30 percent of adjusted monthly income
- 10 percent of gross monthly income
- Applicable enhanced voucher minimum rent
- Other minimum rent established by the PHA as authorized by federal law
- Welfare rent in "as paid" states

Because some voucher holders can choose to live in other types of subsidized housing, a family already holding a voucher might be present in a building undergoing a housing conversion action. Like other families in the building at the time of prepayment, families who are already assisted under the voucher program have the option of choosing the enhanced subsidy as long as they remain in their present unit. For families who choose to accept the enhanced subsidy and remain in their present unit, minimum rent rules apply. For families who choose not to accept the enhanced subsidy, all regular program rules remain in effect, regardless of whether the families choose to remain at the property.

Unlike other families present in the building at the time of prepayment, families who are currently assisted under HCV tenant-based programs must meet special conditions to be covered by the enhanced voucher provisions.

- They must meet income requirements on the date of the eligibility event.
- They must remain in the unit.
- The new gross rent must be reasonable.
- The existing lease and contract must be terminated.

If the family moves from the project at any time with continued assistance, the normal program rules will apply. This means no enhanced payment standard, and no minimum rent requirement.

If a project recently underwent a Housing conversion action, and the owner of the project submits a proposal to the PHA for PBV assistance for the project, neither the PHA nor the owner may require eligible in-place families to give up the enhanced vouchers they have received or will receive. If the family chooses to stay in their unit with their enhanced voucher, the unit is not eligible for PBV assistance from the PHA. The project owner must accept the family's enhanced voucher if the family chooses to stay at the property. The procedures for processing tenant protection funding for enhanced voucher assistance are in no way affected by the selection for PBV assistance.

In projects that have undergone or will undergo a Housing conversion action and are also selected for PBV assistance, prior to any assistance being attached to units in the project:

- The PHA must schedule a briefing for all families potentially impacted by the proposed attachment of PBV assistance.
- Families must be given at least 30 days from the date of the briefing to provide a consent form acknowledging their consent or non-consent.

The special income limits for moderate income families do not apply to the PBV program. Some families may be eligible for an enhanced voucher, but will be over



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income for PBV assistance. Units occupied by these families may not be included in the PBV HAP contract.

#### **D. Rental Assistance Demonstration Project-Based Vouchers (RAD PBV)**

The Rental Assistance Demonstration (RAD) program was designed to preserve and improve public and other assisted housing; promote operating efficiency by using HCV project-based assistance, aligning eligible properties more closely with other affordable housing programs; attract private market capital for property renovations; and increase tenant mobility opportunities.

##### **1. General Requirements**

Except as otherwise noted in this Section, or unless specifically prohibited by PBV program regulations, SHA policies for the tenant-based voucher program contained in this administrative plan also apply to the RAD PBV program and its participants.

##### **2. PBV Project Selection**

During both the initial term and renewal terms of the HAP contract, ownership must be by a public or non-profit entity.

If the project is owned by SHA, rent setting must be conducted by an independent entity. Through the SHA's HUD approved Move to Work designation, the Springfield Housing Authority elects to conduct its own NSPIRE inspections on units that it owns, manages and/or controls. The SHA shall hire a third-party entity to conduct quality control inspections annually at RAD-PBV properties that it owns, manages and/or controls. Additionally, any time at HUD's request, the SHA shall obtain the services of a third-party entity to determine SHA owned units comply with NSPIRE standards. [MTW Waiver Effective January 1, 2024]

Covered projects do not count against the maximum amount of assistance SHA may utilize for the PBV program. There is no cap on the number of units that may receive PBV assistance in a project.

##### **3. Dwelling Units**

The National Standards for the Inspection of Real Estate (NSPIRE) (24 CFR 983.101) for the tenant-based program apply to the PBV program

The lead-based paint requirements for the tenant-based voucher program (24 CFR 983.101(c)) do not apply to the PBV program. The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4851-4856), and 24 CFR 35 apply to the PBV program.

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 and 24 CFR part 8.

All units must meet NSPIRE standards no later than the date of completion of the work. Before providing assistance to a new family in a contract unit, SHA must inspect the unit. SHA may not provide assistance on behalf of the family until the unit fully complies with NSPIRE.

In the case of SHA-owned units, the inspections must be performed by an independent agency designated by the PHA and approved by HUD.

#### 4. Housing Assistance Payments (HAP) Contract

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. The effective date of the HAP contract may be the first day of either of the two months following the completed closing.

##### HAP Contract Requirements

- The RAD rider must be attached to the PBV HAP contract and effectuates the conversion of public housing to PBV under RAD PBV. The project must also have an initial RAD use agreement. All public housing RAD conversion properties financed with LIHTC are also required to include an LIHTC rider.
- The initial term of the HAP contract may not be less than fifteen (15) years, and may be for a term of up to twenty (20) years. Upon expiration of the initial term of the contract, and upon each renewal term of the contract, the owner must accept each offer to renew the contract, 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 each such renewal.
- In the event that the HAP contract is removed due to breach, non-compliance or insufficiency of appropriations, for all units previously covered under the HAP contract, new tenants must have incomes at or below 80 percent of the area median income at the time of admission and rents may not exceed 30 percent of 80 percent of the median income for an appropriate size unit for the remainder of the term of the RAD use agreement.
- The PHA will abate and terminate PBV HAP contracts for noncompliance with NSPIRE in accordance with the policies used in the tenant-based voucher program.

Project owners must make available for occupancy by eligible tenants the number of assisted units under the terms of the HAP contract. The SHA may not reduce the number of assisted units without HUD approval. The SHA will not float assistance among unoccupied units within a project.

#### 5. Selection of PBV Program Participants

Requirements related to determining eligibility and selecting applicants from the waiting list for the tenant-based voucher program apply to PBV program. Eligibility and targeting will not apply to current households who live in the project prior to conversion. Existing residents at the time of conversion may not be rescreened for citizenship status or have their social security numbers reverified. Once the remaining household moves out, the unit must be leased to an eligible family.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program.

The SHA will establish and manage separate waiting lists for individual projects or buildings that are receiving RAD PBV assistance.

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the SHA must first house families who require such features.

The SHA will use the same selection preferences that are used for the tenant-based voucher program.

The SHA is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refusing to list the applicant on the waiting list for tenant-based voucher assistance;
- Denying any admission preference for which the applicant qualifies;
- Changing the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the SHA's tenant selection plan; or
- Removing the applicant from the tenant-based voucher waiting list.

If the SHA denies a family for admission to the PBV unit, such denial may not affect the family's position on the tenant-based waiting list.

When a family accepts an offer for PBV assistance, the SHA must give the family an oral briefing, including information on how the program works and the responsibilities of the family and owner, and provide information on how the SHA determines the total tenant payment for the family, the family obligations under the program, and applicable fair housing information.

## 6. Occupancy

The occupancy requirements that apply to the PBV program as stated in this Section and the tenant-based voucher program also apply to the RAD PBV program.

The SHA will recognize security deposits that have been previously paid by tenants who are in-place at the time of the RAD conversion. The SHA will require a security deposit equal to one month's contract rent.

Prior to providing notice to SHA to terminate the lease, the family may submit a written request to the SHA for a tenant-based voucher at any time after completing the initial twelve-month lease. The family will remain eligible to request a tenant-based voucher as long as they continue living at the same covered project. The SHA will maintain waiting list for all standard PBV and RAD PBV families wishing to exercise mobility after one year of tenancy. Families on the tenant-based waiting list will be given preference over families on the tenant-based waiting list (60 points). The waiting list will be organized by date and time of the family's written request to exercise choice mobility.

## 7. Determining Contract Rent

The initial rents are set at the lower of:

- 110 percent of the fair market rent (FMR);
- Reasonable rent in comparison to the unassisted housing market; or
- An amount determined by current funding.

The PHA will use the HCV utility allowance schedule for the RAD developments.

#### 8. Payments to Owner

During the term of the HAP contract, the SHA must make housing assistance payments to the owner in accordance with the terms of the HAP contract. The amount of the housing assistance payment by the SHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract.

The amount of the tenant rent determined by the SHA is the maximum amount the owner may charge the family for rental of a contract unit.

The SHA will make utility reimbursements directly to the family if the utility allowance exceeds the total tenant payment.

The PHA will implement a three-year phase-in for in-place families whose rent increases by more than the greater of 10 percent or \$25 as a result of the conversion as follows:

- Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion: 33 percent of the difference between the most recently paid TTP and the calculated PBV TTP;
- Year 2: Year 2 annual recertification and any interim recertification: 50 percent of the difference between the most recently paid TTP and the calculated PBV TTP;
- Year 3: Year 3 annual recertification and all subsequent recertifications: Full calculated TTP.

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.

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**SECTION XVII. CONFORMING RULE III, THE QUALITY HOUSING AND WORK  
RESPONSIBILITY ACT OF 1998, AND HOUSING OPPORTUNITY THROUGH  
MODERNIZATION ACT**

**A. Conforming Rule III**

The Springfield Housing Authority will comply with regulations cited within the Federal registered dated April 30, 1998 and titled "Part II Department of Housing and Urban Development 24 CFR Parts 5, 8, 882, 982 and 983 HCV Programs Conforming Rule: Final Rule.

**B. Quality Housing and Work Responsibility Act of 1998**

Further, the Springfield Housing Authority will comply with regulations cited within the Quality Housing and Work Responsibility Act of 1998 as they apply to the administration and operation of the HCV Program.

A copy of Conforming Rule III Final Rule is incorporated within this Administrative Plan as Appendix K. Also, a copy of a summary of the Quality Housing and Work Responsibility Act of 1998 as it applies to the administration and operation of the HCV program is incorporated within this Administrative Plan as Appendix L.

**C. Housing Opportunity Through Modernization Act of 2016**

Further, the Springfield Housing Authority will comply with regulations cited within the Housing Opportunity Through Modernization Act as they apply to the administration and operation of the HCV Program.

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## **HCV HOMEOWNERSHIP PROGRAM**

### **Section XVIII. HCV HOMEOWNERSHIP POLICY**

#### **A. HCV Homeownership Program – Final Rule**

The United States Department of Housing and Urban Development issued a Final Ruling regarding the HCV Homeownership Program [24 CFR Parts 5, 903 and 982] in the Federal Register dated September 12, 2000. The ruling announces the availability of Housing Authorities to provide tenant-based assistance to eligible families that purchase owner occupied dwelling units.

Housing Authorities are eligible to participate in this program on a voluntary basis and are not provided additional funding to operate the homeownership option.

A copy of the Homeownership Final Rule is incorporated into the Administrative Plan as Appendix N.

#### **B. Springfield Housing Authority Homeownership - Overview**

In accordance with the HCV Homeownership Final Rule published in the Federal Register by HUD on September 12, 2000 and 24 CFR 982.625, the Springfield Housing Authority (SHA) has established an HCV tenant-based voucher homeownership option.

This option has been established to meet the mission of the Springfield Housing Authority to be the primary leader in providing quality, affordable housing to individuals and families, while encouraging partnerships necessary for residents to develop self-sufficiency and to be productive members of the community.

The Springfield Housing Authority is committed to opening this program up to a minimum of ten (10) families each year, voucher availability permitting.

#### **C. Participant Eligibility**

Any HCV program participant who has been issued a Housing Choice Voucher may utilize the subsidy to purchase, rather than rent a home, subject to the following requirements:

- 1) The family must meet the general requirements for admission to the SHA's HCV tenant-based voucher program;
- 2) Priority will be given to eligible families in the following order:
  - a. First priority will be given to families participating in the SHA's Family Self-Sufficiency Program.
  - b. Second priority will be given to families who have participated in the HCV Program for one year or longer
  - c. Third priority will be given to other HCV eligible families participating in the HCV Program for less than one (1) year or on the current waiting list;
- 3) The family must have paid any outstanding debt owed to the HA or another HA on any previous tenancy in Public Housing or HCV.

- 4) The family must meet the current Federal income requirements or the family must have a gross annual income equal to the Federal minimum wage rate, multiplied by 2000 hours, based on the adult family members who will own the home;
- 5) The head of household or spouse must be employed full-time and have been continuously employed for twelve (12) months prior to the award of a homeownership voucher;
  - a. Full-time employment is defined as not less than an average of 30 hours per week.
  - b. Continuous employment will be determined even if the family member had a break in employment as long as the break does not exceed 30 calendar days and has been the only break in employment for the twelve (12) month period.
  - c. The Federal minimum employment requirement does **NOT** apply to elderly or disabled families.
- 6) A family must meet the general requirements for continued participation in the SHA HCV tenant-based voucher program;
- 7) The family must be in full compliance with their current lease and other program requirements. Termination of their current lease must be within the prescribed guidelines set forth by the HCV program;
- 8) A head of household or spouse that has previously defaulted on a mortgage obtained through the HCV Homeownership program is **NOT** eligible to re-apply for the homeownership option;
- 9) Eligible families must be first-time homeowners as defined by the following: a family who has not had ownership of or title to a principle residence in the past three years. Families of limited equity cooperatives are eligible for the homeownership option;
- 10) Families eligible for the homeownership program are required to complete homeownership counseling requirements prior to receiving homeownership assistance, inclusive of but not limited to the following topics:
  - a. Budgeting & Money Management
  - b. Credit Counseling
  - c. How to Find a Home to Purchase
  - d. Negotiating A Purchase Price
  - e. How to Obtain Financing
  - f. Fair Housing Lending & Enforcement Agencies
  - g. Information Relative to the Real Estate Settlement Procedures Act and any other Federal & State Truth in Lending Laws
  - h. Basic Home Maintenance & Repair
- 11) The family's income must be equal to or exceed two (2) times the payment standard for the family's unit size. Public assistance income **MAY NOT** be used for meeting this requirement, except in households



whose head or spouse is elderly or disabled;

**NOTE:** *Public assistance includes federal housing assistance or the housing component of a welfare grant; SSI that is subject to an income eligibility test; food stamps; general assistance or other assistance provided under a Federal, state, or local program that provides assistance available to meet family living or housing expenses.*

#### D. Time Frame for Purchase

The family has a maximum of 180 days to find a home and enter into a “Contract for Sale.”

If the family does not enter into a “Contract for Sale” within the 180-day timeframe, the family will be allowed to utilize the voucher under the HCV program.

The family is required to provide the SHA with progress reports regarding finding and purchasing a home at 60-day intervals. This report will be in writing and to the attention of the Homeownership Coordinator.

Any extensions, if approved, will be at the discretion of the Homeownership Coordinator with review and approval by the Director of Section FSS/Homeownership of the Springfield Housing Authority.

#### E. Portability

Families that are determined eligible for homeownership assistance may exercise the homeownership option outside of Sangamon County if the receiving Housing Authority administers an HCV Homeownership Program **AND** is accepting new families into said program.

#### F. Permitted Ownership Arrangements

The homeownership unit **MUST** meet HUD’s “Eligible Housing” requirements which are:

- 1) A unit owned by the family where one or more family members hold title to the home. *(Homes previously occupied under a lease-to-purchase agreement are eligible); or*
- 2) A cooperative unit, where one or more family members hold membership shares in the cooperative.

The unit may **NOT** be any of the following:

- 1) A public housing or Indian housing unit;
- 2) A unit receiving HCV project-based assistance;
- 3) A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
- 4) A college or other school dormitory;
- 5) A unit located on the grounds of a penal, reformatory, medical, mental, or

similar public or private institution; or

- 6) A duplex.

The unit must already be in existence or under construction at the time the family is determined eligible for homeownership assistance.

The unit must be a one-unit property or single dwelling unit in a cooperative or condominium.

## **G. Contract of Sale & Inspections**

- 1) Families participating in the HCV Homeownership Program must complete a “Contract of Sale” with the owner of the property to be purchased.
- 2) The “Contract of Sale” must include the following items:
  - Price of the home;
  - Terms of the sale;
  - Purchaser’s pre-purchase inspection requirements;
  - Notice that the sale is conditional upon the purchaser’s acceptance of the inspection report;
  - Agreement that the purchaser is not obligated to pay for necessary repairs; and
  - Certification from the seller that he/she has not been debarred, suspended, or subject to a limited denial of participation in this program.
- 3) The family must obtain an independent professional home inspection of the unit’s major systems at the family’s expense. The inspection must cover major building systems and components, inclusive of but not limited to, the foundation and structure, housing interior and exterior, roofing, plumbing, electrical and heating systems.
- 4) The SHA HCV inspections department will conduct a National Standards for the Inspection of Real Estate (NSPIRE) inspection and will review the independent professional inspection of the unit’s major systems. The SHA retains the right to disqualify a unit for inclusion in the homeownership program based upon either the NSPIRE inspection or the professional inspection report
- 5) If the home was constructed within sixty (60) days of the Contract of Sale and has remained unoccupied during that time, the use and occupancy letter from the City of Springfield may be substituted for the pre-purchase inspection.

## **H. Financing**

The family is responsible for obtaining financing. The rate and terms of the mortgage are subject to approval by the SHA. The lender should be a federally regulated financial institution. Any other lenders must be specifically approved by the SHA including seller financing.

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The following forms of financing are NOT approvable by the SHA:

- Balloon payment mortgages
- Variable interest rate loans

Eligible families will be required to provide at least 3% of the home purchase price as a down payment. The family must use a minimum of \$1,000 for a down payment from their own funds.

Elderly and disabled families are required to provide at least 3% of the home purchase price as a down payment and a minimum of \$500 must be from their own funds.

## **I. Length & Continuation of Assistance**

HCV assistance will only be provided the months that the family resides in the home. The family may receive homeownership assistance for a maximum of fifteen (15) years for mortgages 20 years or longer. For financing less than 20 years, the maximum limit for assistance is 10 years.

Elderly and disabled families are exempt from any time limits on this program. Should a family become disabled during their participation in the homeownership program, they will not be restricted to the initially imposed time limit. In addition, should an initially disabled family cease to qualify as a disabled family, the time limit will be imposed accordingly based upon the commencement of the homeownership assistance payments.

A family may purchase subsequent homes with HCV assistance provided that there is no mortgage loan default and the family is in compliance with the "Statement of Homeowner Obligations."

The family may **NOT** own more than one (1) home at a time, however, If the family receives homeownership assistance for subsequent homes, or from different Housing Authorities, the total assistance payments are subject to the maximum term limitations outlined above.

## **J. Family Obligations**

Prior to homeownership assistance, the family must execute a "Statement of Homeowner Obligations" with the SHA.

To continue in and be successful with the homeownership program, the family must comply with the following family obligations:

- 1) The family must comply with the terms of any mortgage securing the debt incurred to purchase the home, and any refinancing of such debt;
- 2) The family may not sell, convey or transfer any interest in the home except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member.
- 3) The family may NOT place additional liens or encumbrances without prior written consent from the SHA and the second mortgage lender if applicable.
- 4) At annual recertification, the family must supply required documentation

regarding income and family composition in order to calculate the total tenant payment and the homeownership assistance. In addition, they must provide SHA with documentation that states they are current on their mortgage payments and utility and insurance payments.

- 5) The family must provide SHA with any information relevant to any mortgage or debt incurred to purchase the home, and any refinancing of such debt as well as any sale or other transfer of other interest in the home.
- 6) The family must notify the SHA if they are in default on the mortgage securing any debt incurred to purchase the home. In addition, the SHA retains the right to place a lien on the property in order to receive correspondence from the bank regarding late payments, default on the mortgage, etc.
- 7) The family must attend and complete ongoing post-homeownership counseling as required by the SHA.
- 8) The family must notify the SHA before they move from the home and will be ineligible for continued assistance should they move more than one (1) time during any one (1) year period.

## **K. Assistance Payments**

The family's HCV monthly housing assistance payment will be the lower of:

- The HCV voucher payment minus the Total Tenant Payment; or
- The monthly homeowner expenses minus the Total Tenant Payment.

**NOTE:** *Homeownership expenses include, but are not limited to the following: a) principal and interest on mortgage debt, refinancing charges of mortgage debt, taxes and other public assessments, insurance, maintenance and major repair expenses and the SHA utility allowance schedule. The SHA allowance for maintenance expenses, major repairs and replacements will be based on recommended allowances by its designees.*

In determining the amount of homeownership assistance payment, the SHA will use the same payment standard schedule, payment standard amounts, and subsidy standards outlined in this Administrative Plan for the Housing Choice Voucher program.

The 40% initial rent burden cap does not apply to families receiving assistance under the homeownership program.

If the home is located in an exception payment standard area, the SHA will utilize the exception payment standard rate as applicable to the family based upon unit size.

Housing assistance payments may be made directly to the lender or directly to the family depending upon the loan product chosen by the family and approved by the SHA.

The housing assistance payment will be adjusted accordingly to reflect the fair market rent standard.

If a family's income exceeds the housing assistance payment, eligibility for housing

assistance payments will continue for 180 calendar days. At the end of the 180 days, without a decrease in income, the HCV assistance will terminate.

#### **L. Defaults**

If a family defaults on the mortgage under the HCV Homeownership Program, the family will not be eligible to use their voucher toward the HCV program but may re-apply for the HCV waiting list.

In addition, if a family defaults on the mortgage under this program, they will not be eligible to re-apply for the HCV Homeownership Program.

#### **M. Denial or Termination of Assistance**

Termination of homeownership assistance is governed by the policies for the Housing Choice Voucher program contained in Section XIV titled “Terminations, Claims, Complaints & Appeals” located on page 83 of this Administrative Plan. However, the provisions of CFR 982.551 (c) through (j) are not applicable to homeownership.

The SHA will terminate homeownership assistance if the family violates any of the following family obligations:

- Transfer or conveyance of ownership of the home; or
- Not providing requested information to SHA or HUD in a timely manner;  
or
- Not notifying the SHA before moving out of the home; or
- Violation of any other family obligation under the HCV program.

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APPENDICES**APPENDIX A**

## HCV ADMINISTRATIVE PLAN GLOSSARY OF TERMS

ABSORPTION

In portability, the point at which a receiving HA chooses not to bill or stops billing the initial HA for assistance on behalf of a family and issues assistance from its own allocation.

ADJUSTED INCOME

Effective January 1, 2024 or thereafter upon HUD issuance of the revised 50058 form. Annual income less the following allowances determined in accordance with HUD instructions:

1. \$480 for each dependent, which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next multiple of \$25.

Note: The head, co-head, spouse, foster child, or live-in aide are not counted as dependents.

2. \$525 for any elderly family or disabled family, which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next multiple of \$25.
3. The sum of the following, to the extent the sum exceeds ten percent (10%) of annual income:
  - Unreimbursed health and medical care expenses of any elderly family or disabled family;
  - Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the member who is a person with a disability) to be employed. This deduction may not exceed the combined earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus.
4. Any reasonable childcare expenses necessary to enable a member of the family to be employed or to further his or her education.

ADMISSION

The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

ANNUAL INCOME

Effective January 1, 2024 or thereafter upon HUD issuance of the revised 50058 form. Annual income includes, with respect to the family:

All amounts, not specifically excluded in this section, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age; and

When the value of net family assets exceeds \$50,000 (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) 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.

Annual income does not include the following:

Any imputed return on an asset when net family assets total \$50,000 or less (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and no actual income from the net family assets can be determined.

The following types of trust distributions:

- For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets under § 5.603(b):

- Distributions of the principal or corpus of the trust; and

- Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

- For a revocable trust under the control of the family or household, any distributions from the trust; except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.

Earned income of children under the 18 years of age.

Payments received for the care of foster children or foster adults, or State or Tribal kinship or guardianship care payments.

Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation.

Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member.

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.

Income of a live-in aide, foster child, or foster adult as defined in §§ 5.403 and 5.603, respectively.



Any assistance that section 479B of the Higher Education Act of 1965, as amended (20 U.S.C. 1087uu), requires be excluded from a family's income; and Student financial assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education (as defined under Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit. Student financial assistance, means a grant or scholarship received from— (1) The Federal government; (2) A State, Tribe, or local government; (3) A private foundation registered as a nonprofit under 26 U.S.C. 501(c)(3); (4) A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or (5) An institution of higher education. Student financial assistance does not include— (1) Any assistance that is excluded; (2) Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship); (3) Gifts, including gifts from family or friends; or (4) Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under this paragraph exceeds the actual covered costs of the student. The actual covered costs of the student are the actual costs of tuition, books and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, or other fees required and charged to a student by the education institution, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit. (C) Student financial assistance, must be: (1) Expressly for tuition, books, room and board, or other fees required and charged to a student by the education institution; (2) Expressly to assist a student with the costs of higher education; or (3) Expressly to assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the education institution and not residing in an assisted unit. (D) Student financial assistance, may be paid directly to the student or to the educational institution on the student's behalf. Student financial assistance paid to the student must be verified by the responsible entity as student financial assistance. (E) When the student is also receiving assistance excluded from annual income, the amount of student financial assistance under this of this section is equal to or exceeds the actual covered costs none of the assistance is considered student financial assistance excluded from income under this paragraph. (2) If the amount of assistance excluded is less than the actual covered costs the student financial assistance excluded under this paragraph is the lower of: (i) the total amount of student financial assistance received or (ii) the amount by which the actual covered costs exceed the assistance excluded.

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.

The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS); (ii) Amounts received by a

participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (e.g., special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program; (iii) Amounts received under a resident service stipend not to exceed \$200 per month. A resident service stipend 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. (iv) 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 and are excluded only for the period during which the family member participates in the employment training program unless those amounts are excluded under any other paragraph of this section.

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.

Earned income of dependent full-time students in excess of the amount of the deduction for a dependent.

Adoption assistance payments for a child in excess of the amount of the deduction for a dependent.

Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance.

Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit.

Payments made by 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.

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).

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.

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 this section apply.

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. 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.

Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies. Nonrecurring income includes: (i) 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. (ii) Direct Federal or State payments intended for economic stimulus or recovery. (iii) Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received. (iv) Amounts directly received by the family as a result of Federal refundable tax credits and Federal tax refunds at the time they are received. (v) Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries). (vi) Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization. (vii) Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

Civil rights settlements or judgments, including settlements or judgments for back pay.

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.

Income earned on amounts placed in a family’s Family Self Sufficiency Account.

Gross income a family member receives through self-employment or operation of a business; except that the following shall be considered income to a family member: (i) Net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations; and (ii) Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

Income Exclusions Related to Training			
	HUD Training Programs 24 CFR 5.609(c)(8)(i)	24 CFR 5.609(c)(8)(v)	24 CFR 5.609(c)(13)
Housing program	Applies to PH & S8	Applies to PH & S8	Applies to PH only
Type of training program	Any type of training program	Employment training program	Employment training & supportive services program
Who provides the program	Any entity can provide the training, but it must be provided by HUD funds	State or local (not necessarily government)	Provided under Federal, State or local law, funded by government, administered by a public agency
Characteristics of the program	None Specified	Must have clearly defined goals & objectives	Has as its objectives to assist participants in acquiring employment skills
What income is excluded	All income derived from the program	Incremental earnings and benefits	Incremental earnings and benefits
Period of time for which exclusion applies	Applies during training period	Applies during training period	Applies during training period and for 18 months from the date the family member begins first job acquired after completion of the program
Exceptions	N/A	N/A	The exclusion does not apply to jobs funded by PH assistance under the 1937 Act

APPLICANT (applicant family)

A family that has applied for admission to a program, but is not yet a participant in the program.

AREA OF OPERATION

The recognized area of Sangamon County (IL) which shall not conflict with any other area of jurisdiction.

ASSETS

The values of (or equity) in the real property, stocks, bonds, savings accounts or certificates, stocks or merchandise or valuables and other forms of capital investments. (Does not include personal and household belongings and automobiles.) Assets shall include any asset disposed of at less than fair market value within the last two years.

## AT-RISK OF HOMELESSNESS

The meaning of “at-risk homelessness” is as such term is defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1)), which is codified in HUD’s Continuum of Care Program regulations at 24 CFR 578.3 and reads as follows:

Families who meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR 578.3:

1. An individual or family who:
  - a. Has an annual income below 30 percent of median family income for the area, as determined by HUD;
  - b. Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “Homeless” definition below; and
  - c. Meets one of the following conditions:
    - i. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
    - ii. Is living in the home of another because of economic hardship;
    - iii. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days of the date of application for assistance;
    - iv. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
    - v. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons, or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
    - vi. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
    - vii. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient’s approved consolidated plan.
2. An individual or family who will imminently lose their primary nighttime residence, provided that:
  - a. The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
  - b. No subsequent residence has been identified; and
  - c. The individual or family lacks the resources or support networks, e.g. family, friends, faith-based or other social networks needed to obtain other permanent housing;

## CHILD

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

## CHILD CARE EXPENSES

Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period of which annual income is computed, but only where such care is necessary to enable a family member to be gainfully employed or to further his/her education. A childcare deduction will not be allowed if an adult family member is capable and available to provide the childcare. The amount deducted shall reflect reasonable charges for child care, and, in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment and only to the extent such amounts are not reimbursed.

## CITIZEN

A citizen (by birth or naturalization) or national of the United States

## CONTIGUOUS MSA

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

## CONTINUOUSLY ASSISTED

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

## CONTRACT RENT

The total amount of rent specified in the Housing Assistance Payments Contract as payable by the HA and the tenant to the owner for an assisted unit. In the case of the rental of only a manufactured home space, Contract Rent is the total rent specified in the HAP Contract as payable by the HA and the tenant to the owner for the rental of the space, including fees or charges for management and maintenance services with respect to the space, but excluding utility charges for the manufactured home.

## DATING VIOLENCE

Violence committed by a person:

1. Who is or has been in a social relationship of a romantic or intimate nature with the victim; and
2. Where the existence of such a relationship shall be determined based on a consideration of factors:
  - a. The length of the relationship;
  - b. The type of relationship; and
  - c. The frequency of interaction between the persons involved in the relationship.

## DAY LABOR

An individual hired and paid one day at a time without an agreement that the individual will be hired to work again in the future.

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## DECENT, SAFE AND SANITARY HOUSING

Housing that meets the National Standards for the Inspection of Real Estate (NSPIRE) contained in the federal regulations or the requirements for Single Room Occupancy (SRO) Housing.

## DEPENDENT

A member of the family household (excluding foster children and foster adults) other than the family head of household, or spouse} who is under 18 years of age or is a person with a disability or is a full-time student.

## DISABILITY

1. Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or
2. Blind and unable by reason for 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.

## DISPLACED FAMILY

A family in which each member, or whose sole member, is a person displaced by governmental action (this includes physical displacement from a unit under construction and funded by the rental rehabilitation program), or a person whose dwelling has been extensively damages or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws. This definition is used to determine general program eligibility and eligibility for certain allowances when rent is calculated. See also the definition of Involuntarily Displaced (preference definition).

## DOMESTIC VIOLENCE

Felony or misdemeanor crimes of violence committed by:

1. A current or former spouse or intimate partner of the victim (the term "spouse or intimate partner of the victim" includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship);
2. A person with whom the victim shares a child in common;
3. A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner;
4. A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies; or
5. Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

## DOMICILE

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

## DRUG-RELATED CRIMINAL ACTIVITY

Term means:

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

## DRUG-TRAFFICKING

The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

## EARNED INCOME

Income or earnings from wages, tips, salaries or 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.

## ELDERLY FAMILY

A family whose head or spouse or whose sole member is elderly, or a person with a disability. It may include two or more elderly or persons with a disability, or one or more of these persons living with one or more live-in aides.

## ELDERLY PERSON

A person who is at least sixty-two (62) years of age.

## EVIDENCE OF CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS

The documents which must be submitted to prove citizenship or eligible immigration status.

## EXCEPTION RENT

In the voucher program, an initial rent (contract rent plus any utility allowance) in excess of the published FMR. The HA may approve exception rents up to 110% of the published FMR for no more than 20% of units. HUD may approve on a case-by-case or community wide exception up to 120% of the published FMRs for all or some Bedroom sizes for all or part of the community. The HA approved exception rents must be monitored so as not to exceed approval authority.

In the Voucher program, the HA may adopt a payment standard between 80% of the published FMR and not to exceed the FMR or any community wide voucher program exception rent approved in writing by HUD.



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## EXCESS MEDICAL EXPENSES

Any medical expenses incurred by elderly families in excess of 10% of annual income which are not reimbursable from any other source.

## FAIR MARKET RENT

The rent, including utilities (except telephone), ranges, refrigerators, and all maintenance, management, and other services, which as determined at least annually by HUD, would be required to be paid in order to obtain privately owned, existing decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Separate Fair Market Rents shall be established for dwelling units of varying sizes (number of bedrooms).

## FAIR MARKET RENT (MOBILE HOMES)

The rent which, as determined at least annually by HUD, would be required to be paid in order to obtain privately owned, decent, safe, and sanitary mobile home spaces of modest nature. This rent includes certain maintenance and management services. Rents for double-wide spaces will be permitted for assisted families of 5 or more persons so long as mobile home meets the minimum occupancy standards for families in accordance with federal regulations.

## FAMILY

Includes but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity or marital status:

A single person who may be:

- An elderly person, displaced person, disabled person, near elderly person, or any other single person.
- An otherwise eligible youth who has attained at least 18 years of age and who 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 (42 USC 675(5)(H) and is homeless at age 16 or older;

A group of persons residing together, and such group includes, but is not limited to:

- A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
- An elderly family;
- A disabled family;
- A displaced family; and
- The remaining member of a tenant family.

## FAMILY SELF-SUFFICIENCY (FSS Program)

The program established by a HA to promote self-sufficiency of assisted families, the provision of supportive services (42 U.S.C. 1437u).

## FAMILY UNIT SIZE

The appropriate number of bedrooms for a family. Family unit size is determined by the HA under the HA subsidy standards.

## FLEEING, OR ATTEMPTING TO FLEE, DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, STALKING OR HUMAN TRAFFICKING

HUD-assisted tenant reasonably believes that there is a threat of imminent harm from further violence if they remain within the same dwelling unit, or in the case of sexual assault, the HUD-assisted tenant reasonably believes there is a threat of imminent harm from further violence if they remain within the same dwelling unit that they are currently occupying, or the sexual assault occurred on the premise during the 90-day period preceding the date of the request for transfer.

## FOSTER ADULT

A member of the household who is 18 years of age or older and 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 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 STUDENT

A person who is carrying a subject load that is considered full time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

## GROSS RENT

The total monthly cost of housing an eligible family, which is the sum of the Contract Rent and any utility allowance for the assisted unit. In the case of rental of only manufactured home space, gross rent also includes the family's monthly payment to amortize the purchase price of the manufactured home.

## HEAD OF HOUSEHOLD

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

## HEALTH & MEDICAL CARE EXPENSES

Effective January 1, 2024 or thereafter upon HUD issuance of the revised 50058 form. 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. For purposes of income determination for elderly persons or families with disabilities, health and medical care expenses in excess of 10% of total family income, where these expenses are not compensated for, or are covered by insurance. Health and medical care expenses include such items as medical insurance premiums, long-term care premiums, dental expenses, prescription and nonprescription medicines, etc. that are paid or anticipated during the period for which annual income is computed.

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

## HOMELESS

Families who meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR 578.3:

1. An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - a. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
  - b. An individual or family living in a supervised publicly or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state or local government programs for low-income individuals); or
  - c. An individual who is exiting an institution where he or she 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;
2. An individual or family who will imminently lose their primary nighttime residence, provided that:
  - a. The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
  - b. No subsequent residence has been identified; and
  - c. The individual or family lacks the resources or support networks, e.g. family, friends, faith-based or other social networks needed to obtain other permanent housing;
3. Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:
  - a. Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 1437e-2), section

330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

- b. Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
- c. Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
- d. Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or

#### HOUSING AGENCY (HA)

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

#### HOUSING ASSISTANCE PAYMENT (HAP)

The monthly assistance payment by a HA. The total assistance payment consists of:

- 1. A payment to the owner for rent to owner under the family's lease.
- 2. An additional payment to the family if the total assistance payment exceeds the rent to owner. In the voucher program, the additional payment is called a "utility reimbursement".

#### HUMAN TRAFFICKING

Both sex and labor trafficking, as outlined in the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7102).

- 1. Sex trafficking means the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act, in which the commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years age; and
- 2. Labor trafficking means the recruitment, harboring, transportation, provision, or obtaining of a person for labor services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

#### 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 contractor if the payer has the right to control or direct not only the result of the work and not what will be done and how it will be done.

### INITIAL CONTRACT RENT

In the voucher program, the contract rent at the beginning of the initial lease term.

### INITIAL HA

In portability, the term refers to both:

1. A HA that originally selected a family that subsequently decides to move out of the jurisdiction of the selecting HA.
2. A HA that absorbed a family that subsequently decides to move out of the jurisdiction of the absorbing HA.

### INITIAL LEASE TERM

The initial term of the assisted lease. The initial lease term must be for at least one year.

### INS

The U.S. Immigration & Naturalization Service

### JURISDICTION

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

### LEASE

1. A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner and the HA.
2. 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 cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the HA.

### LIVE-IN AIDE

A person residing with an elderly person(s) or a person(s) with a disability solely for the purpose of providing medical care. The need for such care must be medically verified. Live-in aides are not counted as family members and their income is not included in the calculation of family income. The name of a live-in aide will not be listed on the lease, calculation sheet, or 50058. The notation "live-in aide" will be made on the calculation

sheet for bedroom size determination purposes only. The name of a live-in aide shall be noted on comment sheet. Tenant must request and receive approval for each and any live-in aide.

### LOCAL PREFERENCE

A preference used by the HA to select among applicant families.

### LOW-INCOME FAMILY

A family whose Annual Income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families.

### LUMP-SUM BENEFIT

A payment of monthly benefits for a previous period which may be included as income (except such lump sums of Social Security shall not be counted as income). Only that portion of the payment attributable to the time the tenant resided continuously under the HCV Program may be counted as income.

### MINOR

A person less than eighteen years of age (Head of household, spouse, or an unborn child may not be counted as a minor.)

### MIXED FAMILY

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

### NATIONAL

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

### NATIONAL STANDARDS FOR THE INSPECTION OF REAL ESTATE (NSPIRE)

A method for conducting and processing inspections of HUD-assisted housing developed by HUD's Real Estate Assessment Center (REAC). A housing inspection approach that prioritizes health, safety and functional deficiencies over those about appearance.

### NET FAMILY ASSETS

Effective January 1, 2024 or thereafter upon HUD issuance of the revised 50058 form. 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.

In determining net family assets, PHAs or owners, as applicable, must include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination,

as applicable, in excess of the consideration received therefor. 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.

Excluded from the calculation of net family assets are: (1) The value of necessary items of personal property; (2) The combined value of all non-necessary items of personal property if the combined total value does not exceed \$50,000 (which amount will be adjusted by HUD in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers); (3) The value of 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; (4) The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located; (5) 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 family member being a person with a disability; (6) The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986, the value of any qualified tuition program under section 529 of such Code, the value of any Achieving a Better Life Experience (ABLE) account authorized under Section 529A of such Code, and the value of any "baby bond" account created, authorized, or funded by Federal, State, or local government. (7) Interests in Indian trust land; (8) Equity in a manufactured home where the family receives assistance under 24 CFR part 982; (9) Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR part 982; (10) Family Self-Sufficiency Accounts; and (11) Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family.

In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the trust fund is not a family asset and the value of the trust is not included in the calculation of net family assets, so long as the fund continues to be held in a trust that is not revocable by, or under the control of, any member of the family or household.

#### NONCITIZEN

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

#### OWNER

Any person or entity with the legal right to lease or sublease a unit to a participant.

#### PARTICIPANT (participant family)

A family that has been admitted to the HA program, and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the HA for the family (first day of initial lease term).

#### PAYMENT STANDARD

An amount used by the HA to calculate the housing assistance payment for a family.

Each payment standard amount is based on the fair market rent and must be between 80 and 100% of the currently published FMR. The HA adopts a payment standard for each bedroom size and for each fair market rent area in the HA jurisdiction. The payment standard for a family is the maximum monthly subsidy payment.

#### PERSON(S) WITH A DISABILITY

A person who has a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423), or who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)) which defines a developmental disability as:

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

#### PORTABILITY

Renting a dwelling unit with HCV tenant-based assistance outside the jurisdiction of the initial HA.

#### POVERTY RATE OF 20 PERCENT OR LESS

The units are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey 5-Year Estimates.

#### PREMISES

The building or complex in which the dwelling unit is located, including common areas and grounds.

#### REAL PROPERTY

Same meaning as that provided under the laws of the State in which the property is located.

#### REASONABLE RENT

A rent to owner that is not more than either:

1. Rent charged for comparable units in the private unassisted market; or
2. Rent charged by the owner for a comparable assisted or unassisted unit in the building or premises.



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## RECEIVING HA

In portability, an HA that received a family selected for participation in the tenant-based program of another HA. The receiving HA issues a Voucher, and provides program assistance to the family.

## RECENTLY HOMELESS

Individuals or families who have previously been classified by a member agency of the CoC as homeless but are not currently homeless as a result of homeless assistance (financial assistance or services), temporary rental assistance or some type of other assistance, and where the CoC or its designee determines that the loss of such assistance would result in a return to homelessness or the family having a high risk of housing instability. Examples of households that may be defined as recently homeless by the CoC include, but are not limited to, participants in rapid rehousing, and permanent supportive housing.

## REMAINING FAMILY MEMBERS

The sole remaining family member after a reduction in family size shall be permitted to remain in housing if over the age of 18 and able to live independently.

## RENT REASONABLENESS LIMITATION

The HA is required to certify for each HCV existing unit assisted that the Contract Rent is reasonable in relation to comparable units on the private unassisted market and not in excess of rents currently being charged for comparable unassisted units owned by the same landlord.

## RENT TO OWNER

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

## RESIDENT OF AREA

A family living in the HA's jurisdiction, working in the HA's jurisdiction or notified that they are hired to work in the HA's jurisdiction. The length of time the family has lived or worked in the jurisdiction may not be considered.

## RESPONSIBLE ENTITY

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

## SEASONAL WORKER

An individual who is hired into a short-term position and 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 particular employer or industry.

## SECURITY DEPOSIT

An amount deposited by the tenant, with the owner, which is not in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

## SEXUAL ASSAULT

Any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

## SINGLE PERSON

A person who lives alone or intends to live alone who does not qualify as an elderly family, displaced person or the remaining member of tenant family.

## SPECIAL ADMISSION

Admission of an applicant that is not on the HA waiting list, or without considering the applicants waiting list position.

## SPOUSE

Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads".

## STALKING

Engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

1. Fear for the person's individual safety or the safety of others; or
2. Suffer substantial emotional distress.

## SUBSIDY STANDARDS

Standards established by a HA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions. See definition of "family unit size".

## SUPPORTIVE HOUSING

A project that makes supportive services available for all of the assisted families in the project and provides a range of services tailored to the needs of the residents occupying such housing. Such services may include (but are not limited to):

- Meal service adequate to meet nutritional need;
- Housekeeping aid;
- Personal assistance;
- Transportation services;
- Health-related services;
- Case management;

- Child care;
- Educational and employment services;
- Job training;
- Counseling; or
- Other services designed to help the recipient live in the community as independently as possible.

### SUSPENSION

Stopping the clock on the term of a family's Voucher, for such period as determined by the HA, from the time when the family submits a Request for Tenancy Approval to the HA, until the time when the HA approves or denies the request.

### TENANT

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

### TENANT RENT

In the voucher program, total tenant payment minus and utility allowance.

### TOTAL TENANT PAYMENT

The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

### TUITION

The amount of money charged to students for instructional services which may be charged per term, per course, or per credit. Tuition and fees as the amount of tuition and required fees covering a full academic year most frequently charged to students. These values represent what a typical student would be charged and may not be the same for all students at an institution. If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an entire academic year is used to estimate average tuition. Required fees include all fixed sum charges that are required of a large proportion of all students. Examples of required fees include, but are not limited to, writing and science lab fees, and fees specific to the student's major or program.

### UNEARNED INCOME

Any annual income, as calculated under 5.609 that is not earned income.

### UTILITY ALLOWANCE

The HA's estimate of the average monthly utilities (except telephone) for an energy-conscious household. If all utilities are included in the rent, there is no utility allowance. Utility allowances vary by unit type and bedroom size.

### UTILITY REIMBURSEMENT

In the voucher program, the amount, if any, by which any utility allowance for family-paid utilities or other housing services exceeds the total tenant payment.

### VERY-LOW INCOME FAMILY

A Low-Income family whose Annual Income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

### VETERANS

A veteran is an individual who has served in the United States armed forces.

### VICTIM WITNESS

1. A family who has:
  - a. Critical knowledge of a felonious crime.
  - b. The protection and sanction of the local authority.
  - c. Has been determined eligible for relocation costs and other benefits provided by the local authority.

### VIOLENT CRIMINAL ACTIVITY

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

### VOUCHER (rental Voucher)

A document issued by a HA to a family selected for admission to the Voucher program. The Voucher describes the program and the procedures for HA approval of a unit selected by the family. The Voucher also states the obligations of the family under the program.

**APPENDIX B****INCOME LIMITS**

Effective April 1, 2024

<i># IN FAMILY</i>	<i>LOW INCOME (80% of median)</i>	<i>VERY LOW INCOME (50% of median)</i>	<i>EXTREMELY LOW INCOME (30% of median)</i>
1	\$59,150	\$37,000	\$22,200
2	\$67,600	\$42,250	\$25,400
3	\$76,050	\$47,550	\$28,550
4	\$84,500	\$52,800	\$31,700
5	\$91,300	\$57,050	\$36,580
6	\$98,050	\$61,250	\$41,960
7	\$104,800	\$65,500	\$47,340
8	\$111,550	\$69,700	\$52,720

Note: Income Limits will be reviewed as information is provided by the U.S. Department of Housing and Urban Development and are subject to change.

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## APPENDIX C

## UTILITY ALLOWANCE SCHEDULE

**Utility Allowance Schedule**

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban  
Development  
Office of Public and Indian HousingOMB Approval No. 2577-0169  
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA <b>Springfield Housing Authority, IL</b>		Unit Type <b>Detached House/Mobile/ Manufactured Home</b>				Date (mm/dd/yyyy) 10/08/2024	
Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	\$33.00	\$39.00	\$45.00	\$52.00	\$58.00	\$64.00
	Bottle Gas						
	Electric	\$41.00	\$48.00	\$57.00	\$65.00	\$73.00	\$81.00
	Electric Heat Pump	\$22.00	\$26.00	\$31.00	\$35.00	\$39.00	\$43.00
	Fuel Oil						
Cooking	Natural Gas	\$3.00	\$3.00	\$5.00	\$6.00	\$8.00	\$9.00
	Bottle Gas						
	Electric	\$5.00	\$6.00	\$8.00	\$10.00	\$13.00	\$15.00
Other Electric		\$26.00	\$31.00	\$43.00	\$55.00	\$67.00	\$79.00
Air Conditioning		\$4.00	\$5.00	\$11.00	\$18.00	\$24.00	\$30.00
Water Heating	Natural Gas	\$8.00	\$10.00	\$14.00	\$19.00	\$23.00	\$27.00
	Bottle Gas						
	Electric	\$15.00	\$18.00	\$23.00	\$28.00	\$33.00	\$37.00
	Fuel Oil						
Water		\$19.00	\$20.00	\$27.00	\$34.00	\$41.00	\$48.00
Sewer		\$41.00	\$42.00	\$54.00	\$66.00	\$78.00	\$91.00
Trash Collection		\$20.00	\$20.00	\$20.00	\$20.00	\$23.00	\$23.00
Other specify: Electric Charge \$15.34		\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Other specify: Natural Gas Charge \$21.94		\$22.00	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00
Range /Microwave		\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Refrigerator		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Actual Family Allowances-May be used by the family to compute allowance while searching for a unit.					Utility/Service/Appliance	Allowance	
					Heating		
Head of Household Name					Cooking		
					Other Electric		
					Air Conditioning		
					Water Heating		
Unit Address					Water		
					Sewer		
					Trash Collection		
					Other		
Number of Bedrooms					Range / Microwave		
					Refrigerator		
					Total		

adapted from form HUD-52667  
(04/2023)

The Nelrod Company 6/2024 Update

Note: Utility allowance schedules subject to change.

**Utility Allowance Schedule**

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban  
Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0169  
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA <b>Springfield Housing Authority, IL</b>		Unit Type: <b>Row House/Townhouse/ Semi-Detached/Duplex</b>				Date (mm/dd/yyyy) 10/08/2024	
Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	\$30.00	\$35.00	\$40.00	\$45.00	\$51.00	\$56.00
	Bottle Gas						
	Electric	\$26.00	\$30.00	\$39.00	\$48.00	\$57.00	\$66.00
	Electric Heat Pump	\$19.00	\$22.00	\$26.00	\$30.00	\$33.00	\$36.00
	Fuel Oil						
Cooking	Natural Gas	\$3.00	\$3.00	\$5.00	\$6.00	\$8.00	\$9.00
	Bottle Gas						
	Electric	\$5.00	\$6.00	\$8.00	\$10.00	\$13.00	\$15.00
Other Electric		\$22.00	\$27.00	\$37.00	\$47.00	\$58.00	\$68.00
Air Conditioning		\$6.00	\$6.00	\$11.00	\$16.00	\$20.00	\$25.00
Water Heating	Natural Gas	\$8.00	\$10.00	\$14.00	\$19.00	\$23.00	\$27.00
	Bottle Gas						
	Electric	\$15.00	\$18.00	\$23.00	\$28.00	\$33.00	\$37.00
	Fuel Oil						
Water		\$19.00	\$20.00	\$27.00	\$34.00	\$41.00	\$48.00
Sewer		\$41.00	\$42.00	\$54.00	\$66.00	\$78.00	\$91.00
Trash Collection		\$20.00	\$20.00	\$20.00	\$20.00	\$23.00	\$23.00
Other specify: Electric Charge \$15.34		\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Other specify: Natural Gas Charge \$21.94		\$22.00	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00
Range /Microwave		\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Refrigerator		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Actual Family Allowances-May be used by the family to compute allowance while searching for a unit. Head of Household Name					Utility/Service/Appliance	Allowance	
					Heating		
					Cooking		
					Other Electric		
					Air Conditioning		
Unit Address					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Other		
Number of Bedrooms					Range/Microwave		
					Refrigerator		
					Total		



adapted from form HUD-52667  
(04/2023)

The Nelrod Company 6/2024 Update

Note: Utility allowance schedules subject to change.



**Utility Allowance Schedule**

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban  
Development  
Office of Public and Indian HousingOMB Approval No. 2577-0169  
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA <b>Springfield Housing Authority, IL</b>		Unit Type: <b>High-Rise/Apartment</b>				Date (mm/dd/yyyy) 10/08/2024	
Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	\$23.00	\$27.00	\$32.00	\$36.00	\$40.00	\$45.00
	Bottle Gas						
	Electric	\$18.00	\$21.00	\$28.00	\$35.00	\$43.00	\$50.00
	Electric Heat Pump	\$16.00	\$18.00	\$22.00	\$24.00	\$27.00	\$30.00
	Fuel Oil						
Cooking	Natural Gas	\$3.00	\$3.00	\$5.00	\$6.00	\$8.00	\$9.00
	Bottle Gas						
	Electric	\$5.00	\$6.00	\$8.00	\$10.00	\$13.00	\$15.00
Other Electric		\$18.00	\$21.00	\$29.00	\$37.00	\$46.00	\$54.00
Air Conditioning		\$6.00	\$7.00	\$9.00	\$12.00	\$14.00	\$17.00
Water Heating	Natural Gas	\$7.00	\$8.00	\$11.00	\$15.00	\$18.00	\$22.00
	Bottle Gas						
	Electric	\$12.00	\$14.00	\$18.00	\$22.00	\$26.00	\$30.00
	Fuel Oil						
Water		\$19.00	\$20.00	\$27.00	\$34.00	\$41.00	\$48.00
Sewer		\$41.00	\$42.00	\$54.00	\$66.00	\$78.00	\$91.00
Trash Collection		\$20.00	\$20.00	\$20.00	\$20.00	\$23.00	\$23.00
Other specify: Electric Charge \$15.34		\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Other specify: Natural Gas Charge \$21.94		\$22.00	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00
Range /Microwave		\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Refrigerator		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Actual Family Allowances-May be used by the family to compute allowance while searching for a unit. Head of Household Name					Utility/Service/Appliance	Allowance	
					Heating		
					Cooking		
					Other Electric		
					Air Conditioning		
					Water Heating		
					Water		
					Sewer		
					Trash Collection		
					Other		
					Range/Microwave		
					Refrigerator		
					Total		

adapted from form HUD-52667  
(04/2023)

The Nelrod Company 6/2024 Update

Note: Utility allowance schedules subject to change.

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**APPENDIX D****INFORMAL HEARING PROCEDURES  
(FOR PARTICIPANTS)****I. Applicability***A. When an informal hearing is required:*

1. The SHA must give a participant family an opportunity for an informal hearing to consider whether the following SHA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations and SHA policies.
  - (i) A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
  - (ii) A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the SHA utility allowance schedule.
  - (iii) A determination of the family unit size under the SHA subsidy standards.
  - (iv) A determination to terminate assistance for a participant family because of the family's action or failure to act (see 24 CFR 982.552).
  - (v) A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under SHA policy and HUD rules.
2. In the cases described in paragraphs (a)(1) (iv), and (v) of this section, the SHA must give the opportunity for an informal hearing before the SHA terminates housing assistance payments for the family under an outstanding HAP contract.

*B. When an informal hearing is not required:*

The SHA is not required to provide a participant family an opportunity for an informal hearing for any of the following:

1. Discretionary administrative determinations by the SHA.
2. General policy issues or class grievances.
3. Establishment of the SHA schedule of utility allowances for families in the program.
4. An SHA determination not to approve an extension or suspension of a Voucher term.
5. An SHA determination not to approve a unit or lease.

6. An SHA determination that an assisted unit is not in compliance with NSPIRE. (However, the SHA must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the NSPIRE standards caused by the family as described in 24 CFR 982.551(c).)
7. An SHA determination that the unit is not in accordance with NSPIRE because of the family size.
8. A determination by the SHA to exercise or not to exercise any right or remedy against the owner under a HAP contract.

C. *Notice to family:*

1. In the cases described in paragraphs (a)(1), (ii) and (iii) of this section, the SHA must notify the family that the family may ask for an explanation of the basis of the SHA determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.
2. In the cases described in paragraphs (a)(1) (iv), (v) and (vi) of this section, the SHA must give the family prompt written notice that the family may request a hearing. The notice must:
  - (i) Contain a brief statement of reasons for the decision.
  - (ii) State that if the family does not agree with the decision, the family may request an informal hearing on the decision, and
  - (iii) State the deadline for the family to request an informal hearing.

D. *Expeditious hearing process:*

Where a hearing for a participant family is required under this section, the SHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

## II. **Procedures**

A. *Discovery:*

1. *By family.* The family must be given the opportunity to examine before the SHA hearing any SHA documents that are directly relevant to the hearing. The family must be allowed to copy any such document at the family's expense. If the SHA does not make the document available for examination on request of the family, the SHA may not rely on the document at the hearing.
2. *By SHA.* The SHA hearing procedures may provide that the SHA must be given the opportunity to examine at SHA offices before the SHA hearing any family documents that are directly relevant to the hearing. The SHA must be allowed to copy any such document at the SHA's expense. If the family does not make the document available for examination on request of the SHA, the family may not rely on the document at the hearing.

3. *Documents.* The term "documents" includes records and regulations.

B. *Representation of family:*

At its own expense, the family may be represented by a lawyer or other representative.

C. *Hearing officer: Appointment and authority.*

1. The hearing may be conducted by any person or persons designated by the SHA, other than a person who made or approved the decision under review or a subordinate of this person.
2. The person who conducts the hearing may regulate the conduct of the hearing in accordance with the SHA hearing procedures and most recently approved grievance procedures.

D. *Evidence:*

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

E. *Issuance of decision:*

The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished promptly to the family.

F. *Effect of decision:*

The SHA is not bound by a hearing decision:

1. Concerning a matter for which the SHA is not required to provide an opportunity for an informal hearing under this section, or that otherwise exceeds the authority of the person conducting the hearing under the SHA hearing procedures and most recently approved grievance procedures.
2. Contrary to HUD regulations or requirements, or otherwise contrary to federal, State, or local law.
3. If the SHA determines that it is not bound by a hearing decision, the SHA must promptly notify the family of the determination, and of the reasons for the determination.

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**APPENDIX E****INFORMAL REVIEW PROCEDURES  
(Applicants Only)****I. Applicability**

- A. The Housing Authority will provide an opportunity for an informal review regarding a decision denying assistance to an applicant, including a decision:
  - 1. Denying placement on the waiting list.
  - 2. Denying participation in the HCV Program.
- B. The Housing Authority is not required to provide an opportunity for informal review:
  - 1. To review discretionary administrative determinations by the Housing Authority, or to consider general policy issues or class grievances.
  - 2. To review the Housing Authority's determination of the number of bedrooms determined under the standard established by the Housing Authority in accordance with HUD regulations.
  - 3. To review the Housing Authority's determination that a unit located by a Voucher holder does not comply with the Housing Authority's National Standards for the Inspection of Real Estate (NSPIRE) established in accordance with appropriate HUD regulations, or the Housing Authority's determination not to approve a lease for the unit.
  - 4. To review the Housing Authority's decision not to approve a request by a Voucher holder for an extension of the term of the Voucher.
- C. Applicants are entitled to an informal hearing in cases where they are denied assistance for reasons based upon eligible immigration status.

**II. Procedures**

- A. The Housing Authority shall give an applicant prompt written notice of a decision denying assistance to the applicant, including a decision denying placement on the official waiting list, issuance of a Voucher. The notice shall also state that the applicant may request an informal review of the decision, and shall describe how to obtain the informal review.
- B. The applicant must submit a written request for an informal review within five days of notification of the decision denying assistance.
- C. If the request does not meet the criteria to be eligible for informal review, the applicant will be promptly notified in writing.
- D. If the request does meet the criteria to be eligible for informal review, an informal review will be scheduled within ten days of the request in compliance with the approved Springfield Housing Authority's Grievance Policy/Procedure.
- E. The informal review shall be conducted by any person or persons designated by

the Housing Director other than a person who made or approved the decision under review or a subordinate of such person.

- F. The applicant shall be given an opportunity to present written or oral objections to the Housing Authority's decision.
- G. The Housing Authority shall promptly notify the applicant in writing of the final decision after the informal review, including a brief statement of the reasons for the final decision.



**APPENDIX F**

## SPRINGFIELD HOUSING AUTHORITY STATEMENT OF FAMILY OBLIGATIONS

I, \_\_\_\_\_, understand that as a participant in the SHA's Housing Choice Voucher program, that I and my household members will be required to comply with certain obligations/responsibilities according to HUD and the Springfield Housing Authority. I hereby warrant that I am aware of the following requirements:

1. Search for my own unit both initially and should I desire to move to a different unit, I understand that the SHA is not responsible for locating a suitable unit for me.
2. To notify my SHA representative PRIOR to vacating my unit. I understand that the SHA IS NOT responsible for any rental assistance payments until such time as it determines the unit meets all applicable program requirements, including the ability of the unit to pass the inspection standards set by HUD.
3. To report any increase or decrease in income that exceeds ten percent (10%) of the family's adjusted income within thirty (30) days of the date of the change. during walk-in appointment hours during the first (1<sup>st</sup>) week of each month.
4. To report any increase or decrease in household composition within thirty (30) days of change during any regularly posted walk-in appointment hours.
5. To report and receive written permission for any family members proposed to move in PRIOR to occupancy by such person(s).
6. Pay my portion of the rent to the landlord in accordance with my lease agreement and NOT to pay any additional rent or extra charges that are not listed on the lease.
7. Where applicable, maintain utilities in tenant's name to ensure the unit is "decent, safe and sanitary".
8. Maintain the unit in a good and habitable condition and to report any unavoidable or unexpected damages to my landlord in a timely manner so as not to increase the cost of repair nor further jeopardize the habitability of the leased unit.
9. Pay for all damages to the unit while in occupancy.
10. Comply with all interim and annual reporting requirements.
11. Allow the SHA and owner to conduct unit inspections after reasonable notice and during reasonable hours.
12. Comply with all provisions of the lease.
13. Allow the SHA to provide my family's current address as shown in the SHA records.
14. Provide information on family's prior address of the landlord or any history of family members, or about drug trafficking.
15. Not to sublease the unit nor to use the unit for business purposes nor illegal activities.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(SHA Witness)

\_\_\_\_\_  
(Date)

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**APPENDIX H****SPRINGFIELD HOUSING AUTHORITY****STATEMENT OF LANDLORD RESPONSIBILITY**

As a landlord participating in the SHA's HCV Housing Assistance Programs, I understand that I will have the following responsibilities and obligations. I hereby warrant that I am aware that failure to comply with the following could result in my being terminated as a participating landlord with respect to any SHA-sponsored program.

1. To comply with all requirements of the owner as specified in the Assisted Lease Agreement and the HAP Contract, with a special emphasis on maintaining the unit to meet HUD's National Standards for the Inspection of Real Estate (NSPIRE).
2. To collect only the amount of rent from the resident that is specified in the Assisted Lease Agreement or through any future notices of rent adjustment as specified by the Authority.
3. To notify the SHA if I intend to evict a resident and to comply with State and local eviction procedures. Copy of notice to resident is deemed sufficient notice to the SHA.
4. To notify the SHA immediately upon learning that the resident intends to vacate or has in fact vacated the unit.
5. To give SHA and resident at least a 60-day notice of offer of a new lease agreement and to receive SHA approval on any new lease terms (i.e. 90-day notice for business or economic reasons).
6. To attempt to resolve any disputes between resident and myself and to contact SHA only in the event of serious disputes that appear unresolvable without SHA assistance.

**OWNER'S CERTIFICATION:** I understand that my failure to fulfill these obligations and requirements may either result in the abatement or termination of Housing Assistance Payments and HAP Contract or in my being ineligible to receive reimbursement for unpaid resident rent, resident damages, and vacancy loss.

---

Printed Name

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Date

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Signature

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**APPENDIX I****REPAYMENT AGREEMENT POLICY**

It is the policy of the Springfield Housing Authority that we will not provide rental assistance or Public Housing to a family who has indebtedness to the Housing Authority until either the balance is paid in full or a repayment agreement has been executed.

A minimum down payment of one-third (1/3) of the balance is required at the time the agreement is executed. Any exception to the down payment is at the discretion of the Director of HCV. The monthly payment amount will be what the family can afford to pay based on the family's income. Unless the resident agrees, the monthly payment amount plus the amount of rent the tenant/family pays at the time the agreement is executed should not exceed 40% of the family's monthly adjusted income. The monthly retroactive rent payment amount is in addition to the family's monthly rent payment and is payable to the SHA.

The terms of the agreement will be renegotiated if there is a decrease or increase in the family's income of \$200 or more per month.

The applicant and/or tenant will remain in good standing with the SHA as long as all payments are received in a prompt timely manner. Failure to abide by this agreement will result in one or more of the following actions:

- a. HCV applicants and/or Public Housing applicants will have their applications withdrawn until payment in full has been received.
- b. Late and missed payments constitute default of the repayment agreement and will result in termination of assistance and/or tenancy.
- c. Tenants may have the unpaid balance turned over to the Sangamon County Circuit Court for collection of total unpaid balance, plus court costs and/or turned over to HUD OIG for investigation and/or prosecution.
- d. Tenants will have their accounts referred to a collection agency.
- e. Tenants will be referred to a credit bureau and other appropriate clearinghouses that maintain debt information

This agreement will be in default when payments are delinquent. When the repayment agreement is in default, tenancy and/or assistance will be terminated.

## REPAYMENT AGREEMENT

I, \_\_\_\_\_, and I, \_\_\_\_\_, do hereby agree that I owe \_\_\_\_\_ the amount of \_\_\_\_\_, as a result of my occupancy at \_\_\_\_\_.

This Debt is the result of the following program violation(s)

---

\_\_\_\_\_  
A payment in the amount of \$ \_\_\_\_\_ is being made on \_\_\_\_\_, which leaves a balance of \$ \_\_\_\_\_. I will continue to pay \$ \_\_\_\_\_ each month until the balance is paid in full. My monthly payments will be due on the \_\_\_\_\_ day of each month and the first monthly payment will be due and payable on \_\_\_\_\_.

I have read the Policy Statement on repayment agreements, contained in the HCV Administrative plan, and understand that late and missed payments constitutes default of this agreement and may result in termination of tenancy, assistance, and/or one more of the actions listed. I understand that if my family's income decreases or increases by \$200 or more per month, the terms of this agreement will be renegotiated. I also understand that the monthly retroactive rent repayment amount is in addition to my monthly rent payment and is payable to the SHA, and that if I am unable to meet my scheduled payment, I must notify the SHA prior to the due date.

Special Provisions:

**WITNESS MY SIGNATURE** this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name



**APPENDIX J**

**POLICY STATEMENT OF THE SPRINGFIELD HOUSING AUTHORITY  
WITH RESPECT TO  
RESIDENT/EMPLOYEE/LANDLORD FRAUD AND PROGRAM ABUSE**

**A. PURPOSE**

The purpose of this policy is to reaffirm the commitment of the Springfield Housing Authority to ensure compliance with all applicable Federal regulations governing the administration of HUD-subsidized housing programs with respect to protecting the financial interests of the Federal/local government and the tax-paying public.

**B. APPLICABILITY OF THE POLICY**

This policy is intended to cover the following categories of persons involved in the programs administered by the Springfield Housing Authority:

1. Low-income households participating in the low-rent public housing/scattered site housing and homeownership programs;
2. Low-income households participating in the HCV/Mod-Rehab programs;
3. Private-sector owners/managers/developers participating in the HCV/Mod-Rehab Programs;
4. SHA employees;
5. SHA Board members;
6. Local elected officials who engage in policy-setting with respect to SHA sponsored programs;
7. Vendors, including but not limited to, suppliers, contractors, sub-contractors, etc.

**C. BACKGROUND**

Under various HUD programs, the Federal government provides assistance to low-income families and individuals otherwise unable to afford decent, safe and affordable housing. The amount of assistance varies greatly based on the resident's income and family composition.

1. RESIDENTS ARE REQUIRED TO REPORT CHANGES AFFECTING THEIR LEVEL OF BENEFITS/INCOME;
2. OWNERS/AGENTS ARE PROHIBITED FROM RECEIVING ASSISTANCE PAYMENTS TO WHICH THEY ARE NOT ENTITLED;
3. VENDORS AND SUPPLIERS ARE PROHIBITED FROM BILLING AND

RECEIVING PAYMENTS TO WHICH THEY ARE NOT ENTITLED;

4. EMPLOYEES AND POLICY-MAKERS ARE RESTRICTED FROM RECEIVING THE BENEFITS INTENDED FOR LOW-INCOME FAMILIES. Nationwide, the HUD-subsidized programs provide benefits to more than 4 million households and have a combined annual subsidy of about \$8 billion.

Locally, the SHA provides HCV benefits to more than 2,000 households with combined subsidy from the government totaling more than \$11 million. SHA provides housing and financial assistance under the following programs:

- LOW-RENT CONVENTIONAL PUBLIC HOUSING PROGRAM
- HCV MODERATE REHABILITATION PROGRAM
- HOUSING CHOICE VOUCHER PROGRAM
- HCV PROJECT BASED VOUCHERS PROGRAM
- HCV HOMEOWNERSHIP PROGRAM
- HCV FAMILY UNIFICATION PROGRAM
- MAINSTREAM VOUCHER PROGRAM
- SHELTER PLUS CARE PROGRAM
- VETERANS AFFAIRS SUPPORT HOUSING (VASH) PROGRAM
- NON-ELDERLY PERSONS WITH DISABILITIES (NED) PROGRAM
- ENHANCED VOUCHERS
- RENTAL ASSISTANCE DEMONSTRATION (RAD)

**D. DEFINITION OF FRAUD AND PROGRAM ABUSE**

The SHA will consider any activity designed to elicit monies and/or other forms of remuneration to which the party was not rightfully entitled as an act of "fraud or program abuse".

**1. Resident Fraud is defined as the:**

- underreporting of income;
- underreporting of assets;
- falsifying family size/composition or income;
- conspiring with owners or managers or employees, for the purpose of receiving non-entitlement assistance (i.e. initiating or participating in bribes);
- subletting an assisted unit;
- allowing unauthorized persons to occupy the unit; and
- agreeing to pay "side payments" in excess of the Resident Rent.

**a. SHA Activities to Prevent Resident Fraud**

To prevent such resident fraud, the Springfield Housing Authority will:

- utilize the EIV policy and procedures;
- ask the applicant the right questions on applications and verification forms;
- compare new information received with past information and ask families to explain any differences;
- discuss with the family at the initial and all subsequent reexaminations their responsibility for full disclosure;

- develop warning statements for the verification forms;
- identify circumstances which require close monitoring such as zero income families and families with unstable income;
- periodically send letters to participants restating program rules, cautioning about fraud and asking the family's cooperation in preventing fraud.

**b. SHA Action When Fraud Is Suspected**

- 1) Meet with the family to review information on file and to discuss the allegations concerning fraud;
- 2) Obtain additional information or documentation;
- 3) Determine if the family made an unintentional error or committed fraud.

**c. SHA Actions When Resident Fraud is Substantiated**

If abuse is substantiated, the SHA may take any or all of the following actions depending on the seriousness of the abuse.

- 1) Require repayment;
- 2) Require the family to move if misleading information about the family composition resulted in the family living in an inappropriately sized unit;
- 3) Forward cases of willful abuse or fraud to the Office of the Regional Inspector General (OIG) for follow-up and possible prosecution;
- 4) Pursue prosecution through State or local law or civil courts.

**2. OWNER/MANAGER FRAUD is defined as (NOTE: Applicable to all HCV Programs):**

- Collecting false amounts for unpaid rent, resident damages or vacancy loss;
- Collecting "side payments" in excess of the Resident Rent;
- Collecting assistance payments for units not occupied by HCV families;
- Bribing or attempting to coerce SHA employees to certify substandard units as standard or to approve rents in excess of reasonable rents. (**NOTE:** For SHA purposes, "bribery" includes the offering of cash, gifts or special treatment such as rent-free living quarters.)

**a. SHA Activities to Prevent Owner/Manager Fraud**

To prevent such abuse, the SHA will:

- Discuss with the owner the program requirements and penalties for fraud;
- Use NSPIRE inspections and reexaminations as an opportunity to confirm with families that no side payments are required or are being made;

- Periodically send letters to owners restating program rules, cautioning about fraud and asking for the owner's cooperation.

**b. SHA Action When Owner/Manager Fraud is Suspected**

If fraud or program abuse is suspected, the SHA will:

- Meet with the owner to review program requirements and discuss the allegations;
- Obtain additional information/documentation from appropriate sources.

**c. SHA Actions When Owner/Manager Fraud is Substantiated**

If program abuse is substantiated, SHA may take any or all of the following actions depending on the severity of the abuse:

- Abate HAP payments until all excessive amounts received by owner/ manager have been recovered;
- Require repayment to the family of the full amount of any unauthorized "side payments" collected;
- Require repayment to the SHA of any false claims for unpaid rent, resident damages or vacancy loss;
- Terminate the HAP contract;
- Restrict or prohibit the owner's future participation in any SHA program;
- Forward cases of willful abuse to the RIG for investigation and possible prosecution;
- Pursue prosecution through the State or local laws or civil courts.

**3. EMPLOYEE/POLICY-MAKER ABUSE includes, but is not limited to:**

- Deliberate acceptance of units not meeting NSPIRE;
- Acceptance of kick-backs, gifts or special treatment from owners/managers/ families;
- Participating as a landlord or owner in the program directly or through an agent;
- Giving preferential "placement" of families on the SHA's waiting list in violation of the procedures for establishing and maintaining the waiting list as described in the approved Administrative Plan;
- Selecting families from the waiting list in violation of the SHA's Administrative Plan;
- Certifying ineligible families as eligible or intentionally miscalculating Total Tenant Payment (TTP), Resident Rent or Housing Assistance Payments.

**a. SHA Activities to Prevent Program Abuse by Employees/Policy-Makers**

To prevent abuse by staff and policy-makers, SHA will:

- 1) Discuss the prohibitions against fraud with all new hire-ins and periodically with all other employees;
- 2) Maintain a system of controls which reviews staff determinations with respect to applicant and participant families and owners.

**b. SHA Actions When Employee/Policy-Maker Fraud is Suspected**

The SHA will take action against all such offenders in accordance with the agency's approved Personnel Policy. Such punitive action may include:

- Probation;
- Suspension without pay;
- Termination of employment;
- Prosecution under Federal/State and/or local law.

**4. ADMINISTRATIVE ACTIONS TO BE TAKEN TO AVOID ABUSE AND PROCEDURAL PROBLEMS**

To reduce and prevent the occurrence of fraud/abuse, the Springfield Housing Authority will take the following steps which are not all inclusive, but can serve as a deterrent to fraud by informing applicants and participants about rental assistance program eligibility criteria. Examples include:

- a. Discussing with families, at the application certification and recertification stages, their legal requirement to fully disclose income, assets, and family composition.
- b. Advising families on the waiting list and participant families of the requirement to report interim changes in family composition.
- c. Pointing out to residents/applicants that by signing the Certification Statement they are stating that all information provided on the SHA forms is true and correct and that falsifying such information is punishable by Federal law.
- d. Identifying the possible consequences of reporting incorrect information, such as termination of assistance and, in public housing, eviction.
- e. Periodically reminding residents of their program obligations.

**5. DISCUSSION OF PROCEDURAL PROBLEMS**

In addition to resident eligibility cases in which fraud is involved, various types of procedural errors are made which can result in incorrect assistance payments on behalf of participant households. These types of errors can include:

- a. Lack of proper "verification" of income, assets, expenses and other factors affecting eligibility;
- b. Computational errors;
- c. Failure to conduct family recertifications in a timely manner;
- d. Poor recordkeeping.

**6.     MEASURES**

In order to reduce procedural problems, the Springfield Housing Authority will:

- a.     Follow all applicable procedures for completing HUD forms necessary for establishing family participation;
- b.     Emphasize task-specific training over minimal education requirements in hiring and/or promoting staff;
- c.     Provide formal training of certification/recertification staff to compliment on-the-job training;
- d.     Minimize the use of part-time staff in doing certifications and recertifications;
- e.     Provide quality-control reviews of work completed by staff in an attempt to identify "honest" mistakes as well as incidences of program abuse.

**APPENDIX K****CONFORMING RULE  
FINAL RULE**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

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Special Attention:

Notice PIH 95-63 (HA)

Public Housing Division Directors,  
Native Americans Programs Office  
Directors, Public Housing Agencies  
and Indian Housing Authorities  
Administering Section 8 Programs

Issued: October 11, 1995  
Expires: October 31, 1996

Cross References:

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Subject: Final Conforming Rule for the Section 8 Certificate and Voucher Programs

1. Purpose. This notice transmits a copy of the revised regulations for the Section 8 tenant-based certificate and voucher programs and the project-based certificate program which were published in the Federal Register on July 3, 1995. Revised admission regulations were published in the Federal Register on July 18, 1994, and were transmitted to Housing Agencies by HUD Notice PIH 94-50 (HA) on August 1, 1994. A final rule for the few remaining regulatory policies (rents, housing assistance payments, utility allowances and special housing types) is anticipated in late 1995.
2. Effective Dates. The admission regulations were effective on October 18, 1994 and January 18, 1995. The effective date for the July 3, 1995 publication was October 2, 1995.
3. Summary of Significant Regulatory Changes.  
A chart summarizing the significant July 1994 and July 1995 tenant-based certificate and voucher program regulatory rule changes is attached. This chart also provides implementation guidance. For example, many of the regulatory changes affecting owners will not be implemented until a new Housing Assistance Payments (HAP) contract is executed.
4. HA Actions. HAs should carefully review the regulations and the implementation chart. HAs will need to determine whether current policies are inconsistent with the conforming rule, and whether the HA wants to adopt new discretionary policies. Examples of HA actions follow.
  - a. The contents of the briefing information packet and the oral briefing have been changed, necessitating revised HA documents and actions.

- b. New admission requirements (income limits, cross listing, local preference hearings, citizen verification, etc.) should have already PH: Distribution: W-3-1, W-2(H), R-6, R-7, R-9, 138-3, 138-7 been implemented. Other regulatory requirements (policies not left to HA discretion) such as the HQS, maximum absence from unit, informal hearing, providing prospective owners information about the family, national portability for certificate holders, and portability billing changes need to be implemented.
  - c. It is recommended that current participants be advised of new family obligations.
  - d. A new administrative plan covering specified HA discretionary policies will need to be developed and formally adopted by HA Board of Commissioners or other authorized HA officials. A copy of the HA-approved administrative plan must be sent to the Office of Public Housing in the HUD field office for information only.
  - e. An Equal Opportunity Housing Plan (EOHP) is no longer required. Some of the EOHP policies may need to be transferred to the administrative plan.
  - f. HAs must transfer any FSS policies contained in the administrative plan that are not also contained in the FSS action plan to the FSS action plan. If the HA is just moving previously approved FSS policies in the administrative plan to the FSS action plan, HUD re-approval is not necessary.
5. Future Guidance. Most of the tenant-based program forms and contracts have been revised and distributed. Other form revisions (e.g., application and project-based certificate contracts and forms) are under development and will be issued as changes to the forms handbook (HB 7420.8) when completed. Future guidance will include a chart summarizing the changes to the project-based certificate program.

Kevin Emanuel Marchman,  
Deputy Assistant Secretary for Distressed and Troubled Housing Recovery

Attachments are not included in this Administrative Plan



## QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998

Federal Register / Vol. 64, No. 245 / Wednesday, December 22, 1999 / Notices

71799

for more specific HUD program areas are listed on the HUD web page at <http://hudweb.hud.gov/offices.html>.

## SUPPLEMENTARY INFORMATION:

## I. Introduction

On October 21, 1998, President Clinton signed into law the Quality Housing and Work Responsibility Act of 1998 (Pub.L. 105-276, 112 Stat. 2461) (the "Public Housing Reform Act") as part of the fiscal year (FY) 1999 HUD appropriations act. The Public Housing Reform Act makes extensive amendments to the United States Housing Act of 1937 (the "1937 Act"), which generally governs HUD's public housing and tenant-based Section 8 housing assistance programs.

This notice announces what action HUD will take with respect to section 9(j)(4)(B) of the 1937 Act, established under section 519(a) of the Public Housing Reform Act, which states that:

Notwithstanding subparagraph (A), any funds appropriated to a public housing agency for fiscal year 1997 or prior fiscal year shall be fully obligated by the public housing agency not later than September 30, 1999.

There was no language in this paragraph that allowed HUD to grant exceptions to the provision. Based on the sanctions statement in a letter dated July 23, 1999 that provided notice to all PHAs affected by 9(j)(4)(B), after October 1, 1999, all PHAs with FY 1997 and prior unobligated public housing modernization funds will be subject to the following sanctions:

1. HUD will not release any FY 2000 funds for modernization activities to a PHA that has unobligated FY 1997 and prior FY modernization funds until all such unobligated funds are obligated by the PHA and HUD has reviewed and confirmed the obligation documents.

2. If these unobligated FY 1997 and prior FY funds are not fully obligated by March 30, 2000, an additional final sanction of the loss of all unobligated FY 1997 and prior FY public housing modernization funds, through notification of annual contributions contract (ACC) default and recapture of outstanding unobligated funds, shall be implemented.

PHAs are advised that they may use unobligated FY 1997 and prior FY public modernization funds for any eligible activity under section 9(d) of the 1937 Act, and are encouraged to do so to avoid the recapture of these funds.

This policy for dealing with section 9(j)(4)(B) provides PHAs a generous opportunity for compliance, given the strict language of the Congressional mandate. The Public Housing Reform Act, which enacted this provision, was

passed more than a year ago; more than nine months have passed since an initial communication on this subject in a February Federal Register Notice; and more than four months have passed since HUD's letter of July 23, 1999, explaining there will be sanctions if funding were not obligated by September 30, 1999, as required.

Dated: December 15, 1999.

Harold Lucas,  
Assistant Secretary for Public and Indian Housing.

[FR Doc. 99-33107 Filed 12-21-99; 8:45 am]  
BILLING CODE 4210-35-P

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-4434-N-05]

## Quality Housing and Work Responsibility Act of 1998; Status of Implementation; Guidance

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice.

**SUMMARY:** On October 21, 1998, President Clinton signed into law the Quality Housing and Work Responsibility Act of 1998 (the "Public Housing Reform Act"). This statute embodies many of the reforms of the HUD 2020 Management Reform Plan that are directed at revitalizing and improving HUD's public housing and Section 8 assistance programs. This notice updates the public on HUD's overall implementation of the Public Housing Reform Act and identifies where existing implementation guidance may be found, with respect to the provisions regarding public housing and tenant-based assistance. This notice also provides further implementation guidance on those provisions of the Public Housing Reform Act that are effective on October 1, 1999 or on October 21, 1999.

**FOR FURTHER INFORMATION CONTACT:** For further information regarding public housing and the Section 8 certificate, voucher and moderate rehabilitation programs contact Stephen I. Holmquist, Office of Policy, Program and Legislative Initiatives, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4116, Washington, DC, 20410; telephone (202) 708-0713 (this is not a toll-free number).

Persons with hearing or speech impairments may access that number via TTY by calling the Federal

Information Relay Service at (800) 877-8339. Program specialists for more specific HUD program areas are listed on the HUD web page at <http://hudweb.hud.gov/offices.html>.

## SUPPLEMENTARY INFORMATION:

## I. Introduction

On October 21, 1998, President Clinton signed into law the Quality Housing and Work Responsibility Act of 1998 (Public Law 105-276, 112 Stat. 2461) (the "Public Housing Reform Act") as part of the fiscal year 1999 HUD appropriations act. The Public Housing Reform Act makes extensive amendments to the United States Housing Act of 1937 (the "1937 Act"), which generally governs HUD's public housing and tenant-based Section 8 housing assistance programs. Certain provisions of the Public Housing Reform Act became effective immediately on enactment (October 21, 1998). Most provisions, however, became effective on October 1, 1999, although some provisions become effective on October 21, 1999 (one year from enactment) or on other specified dates.

On February 18, 1999 (64 FR 8192), HUD published a Notice of Initial Guidance on the Public Housing Reform Act to advise the public of those provisions that were effective immediately and of action that may or should be taken at that point. The Notice also provided guidance on certain other provisions in the fiscal year 1999 HUD appropriations act that affect the public housing and Section 8 programs. Since publication of the February 18, 1999 notice, HUD has published numerous other notices and proposed, interim, and final rules to implement the Public Housing Reform Act.

This notice updates the public on HUD's overall implementation of the Public Housing Reform Act and identifies where existing implementation guidance may be found, with respect to the provisions regarding public housing and tenant-based assistance. The notice also provides further implementation guidance on those provisions of the Public Housing Reform Act that became effective on October 1, 1999, or on October 21, 1999.

Some of the Public Housing Reform Act provisions do not require HUD rulemaking, while others are the subject of rulemaking that is still in progress. For rulemaking that is still in progress, this notice provides guidance that Public Housing Agencies (PHAs) should follow until HUD completes rulemaking. Unless provided otherwise in this Notice published today, PHAs that follow HUD's guidance will not be

penalized for any changes made later in the rulemaking process. If changes are made later in the rulemaking process, HUD will provide adequate time for PHAs to adjust their policies accordingly.

## II. Summary of Rulemakings Undertaken Under the Public Housing Reform Act

In addition to the Notice of Initial Guidance, published on February 18, 1999, and an update to that Notice, published on April 30, 1999 (64 FR 23344), the following rulemaking has occurred under the Public Housing Reform Act. (The reference to public comments received on the rules refer to written comments received on the rules by the public comment deadline. The number of comments does not include the comments raised at the public forums held on the Public Housing Agency Plan rule and the Section 8 Certificate and Voucher Merger rule. Additionally, the number does not include late comments. Although comments were received late on several rules, HUD made every effort to look at all comments and consider all issues raised.)

### Final Rules

1. *Public Housing Agency Plans.* The final rule was published on October 21, 1999 (64 FR 56844). HUD received 52 public comments on the interim rule published on February 18, 1999 (64 FR 8170); in addition, public forums were held in Atlanta, GA, Omaha, NE, Syracuse, NY, and Washington, DC.

2. *Statutory Merger of the Section 8 Certificate and Voucher Programs (Housing Choice Voucher Program).* The final rule was published on October 21, 1999 (64 FR 56894). An amendment to the final rule was published on November 3, 1999 (64 FR 59620). HUD received 93 public comments on the interim rule published on May 14, 1999 (64 FR 26632); in addition, public forums were held in Omaha, NE; Syracuse, NY; and Washington, DC.

3. *Renewals of Section 8 Tenant-Based Assistance Contracts.* The final rule for Renewals of Section 8 Tenant-Based Assistance Contracts, developed through negotiated rulemaking, was published on October 21, 1999 (64 FR 56882). (The preamble to the October 21, 1999 final rule includes a discussion of the negotiated rulemaking process, lists the committee members, and provides the twelve dates of the negotiated rulemaking committee meetings.) The notice for calendar year 1999 renewals was published on February 18, 1999 (64 FR 8188). This notice followed a direct notice issued by

HUD's Office of Public and Indian Housing on December 31, 1998, in accordance with the statute.

4. *Revised Restrictions on Assistance to Noncitizens.* The final rule was published on May 12, 1999 (64 FR 25726). HUD received 22 public comments on the interim rule published on November 29, 1998 (61 FR 60535).

5. *Comprehensive Improvement Assistance Program (CIAP).* The final rule was published on June 23, 1999 (64 FR 33636). This allowed HUD to distribute the funds by formula in fiscal year 1999, one year before the statute required the distribution of funds by formula. HUD received 18 public comments on the proposed rule published on April 30, 1999 (64 FR 23484). The final rule covers funding distribution for fiscal year 1999.

6. *Public Housing Drug Elimination Program (PHDEP) Formula Allocation.* The final rule was published on September 14, 1999 (64 FR 49900). This allowed HUD to distribute the funds by formula in fiscal year 1999, one year before the statute required distribution of funds by formula. HUD received 26 public comments on the proposed rule published on May 12, 1999 (64 FR 25736). HUD received 60 public comments on the Advance Notice of Proposed Rulemaking published on February 18, 1999 (64 FR 8210).

7. *Required Resident on the PHA Board of Commissioners or Similar Governing Body.* The final rule was published on October 21, 1999 (64 FR 56870). HUD received 71 public comments on the proposed rule published on June 23, 1999 (64 FR 33644).

### Proposed Rules (Final Rule Not Yet Published)

1. *Changes to Admissions, Rents and Occupancy Requirements in the Public Housing and Section 8 Programs.* The proposed rule was published on April 30, 1999. HUD received 113 public comments on the proposed rule.

2. *Section 8 Homeownership Vouchers.* The proposed rule was published on April 30, 1999 (64 FR 23488). HUD received 93 public comments on this proposed rule.

3. *Amendments to the Public Housing Assessment System (PHAS).* The proposed rule was published on June 22, 1999 (64 FR 33348). HUD received 29 public comments on the proposed rule. On October 21, 1999 (64 FR 56876), HUD published a notice advising that HUD would provide transition assistance to the PHAS for PHAs with fiscal years ending September 30, 1999, or December 31, 1999. For these PHAs, no PHAS score

would be issued for fiscal years ending September 30, 1999, and December 31, 1999. Instead these PHAs would receive an assessment solely on the basis of their management operations in accordance with subpart D of the PHAS regulation (24 CFR part 902). PHAs with fiscal years ending after December 31, 1999, would be issued PHAS scores.

### 4. Pet Ownership in Public Housing.

The proposed rule was published on June 23, 1999 (64 FR 33640). HUD received 3,777 public comments on the proposed rule. In addition to comments received by the public comment deadline, HUD continued to receive public comments on this rule several weeks after the deadline. These post-deadline comments numbered approximately 3,000.

5. *One Strike Screening and Eviction for Drug Abuse and Other Criminal Activity.* The proposed rule was published on July 23, 1999 (64 FR 40262). HUD received 29 public comments on the proposed rule.

6. *Required Conversion of Developments from Public Housing Stock.* The proposed rule was published on July 23, 1999 (64 FR 40232). HUD received 5 public comments on the proposed rule.

7. *Voluntary Conversion of Developments from Public Housing Stock.* The proposed rule was published on July 23, 1999 (64 FR 40240). HUD received 6 public comments on the proposed rule.

8. *Allocation of Funds Under the Capital Fund.* The proposed rule was developed through negotiated rulemaking and published on September 14, 1999 (64 FR 49924). (The preamble to the September 14, 1999 proposed rule includes a discussion of the negotiated rulemaking process, lists the committee members, and provides the sixteen dates of the negotiated rulemaking committee meetings.) HUD received 10 public comments on the proposed rule.

9. *Consortia of Public Housing Agencies and Joint Ventures.* The proposed rule was published on September 14, 1999 (64 FR 49940). The public comment period for this rule closed on November 15, 1999. HUD received 6 public comments on the proposed rule.

10. *Public Housing Homeownership Program.* The proposed rule was published on September 14, 1999 (64 FR 49932). The public comment period for this rule closed on November 15, 1999. HUD received 12 public comments on the proposed rule.

11. *Direct Funding of Resident Management Corporations.* The proposed rule was published on October

21, 1999 (64 FR 56890). The proposed rule provides for a 60-day public comment period.

#### *Proposed Rules Under Development*

The following proposed rules are under development and have not yet been published:

1. *Public Housing Capital Fund*. This rule will establish regulatory provisions concerning the Public Housing Capital Fund other than the formula.

2. *Public Housing Mixed Finance*. This rule will implement section 539 of

the Public Housing Reform Act, as further discussed below.

3. *Public Housing Demolition/Disposition*. This rule will implement more fully section 531 of the Public Housing Reform Act, as further discussed below.

4. *Allocation of Funds Under the Public Housing Operating Fund*. This is a proposed rule to be developed using negotiated rulemaking procedures.

In addition to these proposed rules, HUD also expects to publish a proposed rule on tenant participation in public housing, which will amend the existing

tenant participation regulations in 24 CFR part 984, and may determine that other rulemakings related to the Public Housing Reform Act are desirable.

#### **III. Summary Chart of Status and Guidance**

The following chart summarizes the HUD guidance issued to date on each section of the Public Housing Reform Act covered by this Notice. The chart should be read in conjunction with the narrative which follows in the next section.

Statutory section	Implemented by February 18, 1999— Notice of Initial Guidance	Proposed rule	Interim rule	Final rule	Additional Information
Sec. 503(c) Technical Recommendations.					Report containing proposals for technical and conforming legislative changes was submitted to the Congress on July 23, 1999.
Sec. 503(d) List of Obsolete Documents.					The required FEDERAL REGISTER notice was published on October 1, 1999 (64 FR 53400).
Sec. 505 Declaration of Policy and Public Housing Agency Organization.		June 23, 1999 (64 FR 33644).		October 21, 1999 (64 FR 56870).	Rulemaking implemented the statutory requirement that the governing board of each PHA, with certain exceptions, contain at least one member who is directly assisted by the PHA.
Sec. 506 Definitions					Statutory changes were incorporated in HUD rulemakings implementing the Public Housing Reform Act, as appropriate.
Sec. 507 Minimum Rent.	Yes .....	Part of Admissions and Occupancy proposed rule published on April 30, 1999 (64 FR 23459).		In development.	Section 507 was effective upon enactment.
Sec. 508 Determination of Adjusted Income and Median Income.		Part of Admissions and Occupancy rulemaking.		In development.	Partial implementation was required by August 6, 1999 Notice of Guidance on Public Housing Rent Policies (64 FR 42956).
Sec. 509 Family Self-Sufficiency Program.	Yes .....	Part of Admissions and Occupancy rulemaking.		In development.	
Sec. 510 Prohibition on Use of Funds.					Self-implementing; no rulemaking required.
Sec. 511 Public Housing Agency Plans.			February 18, 1999 (64 FR 8170).	October 21, 1999 (64 FR 56844).	Additional guidance provided in PIH Notices 99-33 and 99-51. HUD expects to provide further information and direction.
Sec. 512 Community Service and Family Self-Sufficiency Requirements.	Yes, as to changes to welfare-related programs requirements (see amended subsection 12(d) of the 1937 Act).	Part of Admissions and Occupancy rulemaking.		In development.	

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Statutory section	Implemented by February 18, 1999—Notice of Initial Guidance	Proposed rule	Interim rule	Final rule	Additional Information
Sec. 513 Income Targeting for Public Housing and Tenant-Based Section 8 Assistance.	Yes .....	Part of Admissions and Occupancy rulemaking.	Part of PHA Plan rulemaking, with regard to deconcentration (see section 511). Part of Section 8 Merger interim rule with regard to Section 8 vouchers. The interim rule was published on May 14, 1999 (64 FR 26632) (see section 545).	Admissions and Occupancy final rule in development.  Part of PHA Plan rulemaking, with regard to deconcentration (see section 511).  Final Section 8 Merger rule published on October 21, 1999 (64 FR 56894) (see section 545).	
Sec. 514 Repeal of Federal preferences.	Yes .....	Part of Admissions and Occupancy rulemaking (for public housing and Section 8 project based assistance).	Part of Section 8 Merger rulemaking (for Section 8 tenant-based vouchers) (See section 545).	Admissions and Occupancy final rule in development.  Part of Section 8 Merger rulemaking (See section 545). In development.	
Sec. 515 Joint Ventures and Consortia of PHAs.		September 14, 1999 (64 FR 49940).			See specific additional guidance below.
Sec. 516 Public Housing Agency Mortgages and Security Interests.					Rulemaking in development. See specific additional guidance below.
Sec. 517 Mental Health Action Plan.					Development of action plan and compliance with other statutory requirements has begun.
Sec. 518(b) Local Notification.					No rulemaking necessary, but additional elaboration may be provided in Capital Fund program (non formula) rulemaking (see section 519).
Sec. 519:					
1. Capital Fund formula		September 14, 1999 (64 FR 49924). In development.		In development.	See specific additional guidance below.
2. Capital Fund program (non-formula).					See specific additional guidance below.
Sec. 519 Operating Fund.	Yes (transition provisions).	Negotiated proposed rule in development.			See specific additional guidance below.
Sec. 519 Other Provisions.	Yes .....				See specific additional guidance below.
Sec. 520 Total Development Cost.		In development .....			Guidance also provided in PIH Notice 99-17.
Sec. 521 Sanctions for Improper Use of Amounts.					HUD will cross-reference this sanction authority in its program regulations, as appropriate.

Statutory section	Implemented by February 18, 1999—Notice of Initial Guidance	Proposed rule	Interim rule	Final rule	Additional Information
Sec. 522 Repeal of Modernization Fund.					Guidance provided in the March 23, 1999 HUD-CPD memorandum on the "Impacts of the 1999 Appropriations Act on HOME and SHOP", and the March 25, 1999 clarifying memorandum on the same subject. See specific additional guidance below.
Sec. 523 Family Choice of Rental Payment.	Discussed but not implemented.	Part of Admissions and Occupancy rulemaking.		In development.	Implementation required by the August 6, 1999 Notice of Guidance on Public Housing Rent Policies.
Sec. 524 Occupancy by Police Officers and Over-Income Families.	Yes .....	Part of Admissions and Occupancy rulemaking.		In development.	
Sec. 525 Site-Based Waiting Lists.			Part of PHA Plan rulemaking (see section 511).	Part of PHA Plan rulemaking (see section 511).	
Sec. 526 Pet Ownership.		June 23, 1999 (64 FR 33640).		In development.	
Sec. 529 Contract Provisions.					No rulemaking required; to be implemented through amendments to Annual Contributions Contracts (ACCs).
Sec. 530 Housing Quality Requirements.	Yes .....				No rulemaking required; to be implemented through ACC amendments.
Sec. 531 Demolition and Disposition of Public Housing.	Yes .....	In development.	Part of PHA Plan rulemaking (see section 511).	Part of the PHA Plan rulemaking (see section 511).	Additional guidance provided in PIH Notice 99-19.
Sec. 532 Resident Councils and Resident Management Corporations.		October 21, 1999 (64 FR 56890) (provides for the direct funding of RMCs); more comprehensive proposed rule in development.		Final rule for October 21, 1999 proposed rule in development.	
Sec. 533 Voluntary Conversion of Public Housing to Vouchers.		July 23, 1999 (64 FR 40240).		In development.	See specific additional guidance below.
Sec. 534 Transfer of Management of Certain Housing.					No rulemaking necessary or anticipated. See specific additional guidance below.
Sec. 535 Demolition, Site Revitalization, Replacement Housing, and Tenant-Based Assistance Grants for Projects (HOPE VI).					Substantially Implemented by the FY 1999 notice of Funding Availability (NOFA) for the HOPE VI program; published on February 26, 1999 (64 FR 9618). HUD may undertake rulemaking in FY 2000.
Sec. 536 Public Housing Homeownership.		September 14, 1999 (64 FR 49932).		In development.	
Sec. 537 Required Conversion of Public Housing to Vouchers.		July 23, 1999 (64 FR 40232).		In development.	

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Statutory section	Implemented by February 18, 1999— Notice of Initial Guidance	Proposed rule	Interim rule	Final rule	Additional Information
Sec. 538 Linking Services to Public Housing Residents.		In development.			Implemented through FY 1999 NOFA on the Resident Opportunities and Self-Sufficiency (ROSS) program; published on August 10, 1999 (64 FR 43530). HUD may undertake rulemaking in FY 2000.
Sec. 539 Mixed-Finance Public Housing.					
Sec. 545 Merger of Certificate and Voucher Programs.			May 14, 1999 (64 FR 26632).	October 21, 1999 (64 FR 56894). An amendment to the final rule was published on November 3, 1999 (64 FR 59620).	
Sec. 546 Public Housing Agencies.			Part of Section 8 merger rulemaking (see section 545).	Part of Section 8 merger rulemaking (see section 545).	
Sec. 547 Administrative Fees.	Yes .....				Initial guidance will be supplemented by annual notices.
Sec. 548 Law Enforcement and Security Personnel in Assisted Housing.	Yes .....	Part of Admissions and Occupancy rulemaking.		In development.	
Sec. 549 Advance Notice to Tenants of Expiration, Termination, or Owner Nonrenewal of Assistance Contracts.	Yes .....		Part of Section 8 merger rulemaking (see section 545)..	Part of Section 8 merger rulemaking (see section 545).	Additional guidance provided in PIH Notice 98-64.
Sec. 550 Technical and Conforming Amendments.					No rulemaking necessary or anticipated.
Sec. 551 Funding and Allocation.	Yes.				
Sec. 553 Portability			Part of Section 8 merger rulemaking (see section 545).	Part of Section 8 merger rulemaking (see section 545).	
Sec. 554 Leasing to Voucher Holders.	Yes .....		Part of Section 8 merger rulemaking (see section 545).	Part of Section 8 merger rulemaking (see section 545).	
Sec. 555 Homeownership Option.		April 30, 1999 (64 FR 23488).		In development.	
Sec. 556 Renewals				Negotiated final rule published on October 21, 1999 (64 FR 56894).	Consistent with statutory requirement, the October 21, 1999 final rule was preceded by an implementing PIH Notice (98-65). For the convenience of the public, the PIH notice was also published in the FEDERAL REGISTER on February 18, 1999 (64 FR 8188).
Sec. 557 Manufactured Housing Demonstration Program.					Implemented by letter to the participating housing authorities.
Sec. 559 Rulemaking and Implementation.			Part of Section 8 merger rulemaking (see section 545).	Part of Section 8 merger rulemaking (see section 545).	
Sec. 561 Home Rule Flexible Grant Demonstration.	Yes.				

Statutory section	Implemented by February 18, 1999—Notice of Initial Guidance	Proposed rule	Interim rule	Final rule	Additional Information
Sec. 563 Performance Evaluation Study.					HUD has entered into the statutorily required contract, with the National Academy of Public Administration (NAPA), and the study is proceeding. Partial implementation (regarding independent assessment of small troubled PHAs) provided in the April 30, 1999 Initial Implementation Guidance Update Notice (64 FR 23344). Further details were also provided in a FEDERAL REGISTER notice published on October 21, 1999 (64 FR 33348).
Sec. 564 Public Housing Management Assessment Program.		June 22, 1999 (64 FR 33348).		In development.	
Sec. 565 Expansion of Powers for Dealing with Public Housing Agencies in Substantial Default.	Yes .....	Part of the PHAS rulemaking (see section 564).		In development.	
Sec. 566 Audits .....					To be implemented through ACC amendment. No rulemaking is necessary or anticipated.
Sec. 567 Advisory Council for Housing Authority of New Orleans.					Effective on October 1, 1999. Will be implemented through rulemaking on Consolidated Plans.
Sec. 568 Troubled PHAs and Consolidated Plans.					
Sec. 575 Provisions Applicable Only to Public Housing and Section 8 Assistance.	Yes (the provision regarding obtaining information from drug abuse treatment facilities).	The remaining provisions are part of the "One Strike" rulemaking (64 FR 40262, July 23, 1999).		In development.	
Sec. 576 Screening of Applicants for Federally Assisted Housing.		Part of the "One Strike" rulemaking.		In development.	These definitions are applicable to the requirements described in sections 575-578. The first annual report was submitted to the Congress in accordance with the required schedule. Effective on October 1, 1999. No rulemaking is necessary or anticipated. Effective October 1, 1999. Will be implemented through rulemaking on Consolidated Plans.
Sec. 577 Termination of Tenancy and Assistance.		Part of the "One Strike" rulemaking.		In development.	
Sec. 578 Ineligibility of Dangerous Sex Offenders for Public Housing.		Part of the "One Strike" rulemaking.		In development.	
Sec. 579 Definitions					
Sec. 581 Annual Report.					
Sec. 582 Repeals ..					
Sec. 583 Consolidated Plans.					
Sec. 584 Use of American Products.	Yes.				

Statutory section	Implemented by February 18, 1999— Notice of Initial Guidance	Proposed rule	Interim rule	Final rule	Additional Information
Sec. 585 GAO Study on Housing Assistance Programs.					The study required by this section is under way.
Sec. 586 Drug Elimination Program.		May 12, 1999 (64 FR 25736).		September 14, 1999 (64 FR 49900).	Proposed rule was preceded by Advance Notice of Proposed Rulemaking published on February 18, 1999 (64 FR 8210). Report was submitted to Congress as required.
Sec. 587 Report on Drug Elimination Contracts.					
Sec. 589 Notice on Treatment of Occupancy Standards.					Required FEDERAL REGISTER notice published on December 18, 1998 (63 FR 70256). No further regulation is necessary.
Sec. 592 Use of Assisted Housing by Aliens.				May 12, 1999 (64 FR 25726).	
Sec. 595 Native American Housing Assistance.					Implemented by notice. No rulemaking is necessary or anticipated.
Sec. 596 Community Development Block Grant Public Services Cap.					No rulemaking is necessary or anticipated.
Sec. 597 Moderate Rehabilitation Terms for Contract Renewals.	Yes .....				Additional guidance provided in PIH Notice 98-62. No rulemaking is necessary or anticipated.
Sec. 599 Tenant participation.		June 17, 1999 (64 FR 32782).		In development.	
Sec. 599H Miscellaneous.					No rulemaking is necessary or anticipated.

#### IV. Section-by-Section Narrative of Status of Public Housing Reform Act Implementation and Guidance

The following narrative clarifies and elaborates upon the information provided in the preceding chart, and is organized by section number from the Public Housing Reform Act. Several statutory sections of the Public Housing Reform Act were effective upon enactment. HUD's February 18, 1999 Notice of Initial Guidance provided notification of those sections of the Public Housing Reform Act that were immediately effective and HUD provided guidance concerning the action, if any, that was required to be taken. Therefore, reference in this narrative to a statutory section being "implemented by the February 18, 1999 Notice of Initial Guidance" is a reference to the notification and guidance provided in this February 18, 1999 notice. Also, dates on which rules were published, and which were listed in Section II of this notice, are not always restated below.

**Section 503(c)—Technical Recommendations.** Section 503(c) requires HUD to submit to the

Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives recommended technical and conforming legislative changes necessary to carry out the Public Housing Reform Act. HUD submitted its recommendations to the appropriate committees on July 23, 1999. One of the important recommended sections, regarding income eligibility adjustment, was enacted in the HUD/VA Independent Appropriations Act for Fiscal Year 2000 (Pub.L. 106-74, approved October 20, 1999).

**Section 503(d)—List of Obsolete Documents.** Section 503(d) requires HUD to publish in the Federal Register, by October 1, 1999, a list of all rules, regulations, and orders (including all handbooks, notices, and related requirements) pertaining to public housing or Section 8 tenant-based programs issued or promulgated under the 1937 Act before enactment of the Public Housing Reform Act that are or will be obsolete because of the enactment of the Public Housing Reform Act or are otherwise obsolete. The

required list was published in the Federal Register on October 1, 1999 (64 FR 53400).

**Section 505—Declaration of Policy and Public Housing Agency Organization.** Section 505 of the Public Housing Reform Act, which became effective October 1, 1999, amends section 2(b) of the 1937 Act to require that the membership of the board of directors or similar governing body of each PHA, with certain exceptions, contain not less than one member who is directly assisted by the PHA. The resident board member may, if provided in the PHA plan, be elected by the residents directly assisted by the PHA. The final rule implementing section 505 of the Public Housing Reform Act was published on October 21, 1999.

**Section 506—Definitions.** Section 506 of the Public Housing Reform Act became effective October 1, 1999, and amends section 3(b) of the 1937 Act to modify definitions relating to the terms "public housing," "single persons," and "person with disabilities" (the latter definition is also included in the "One Strike" proposed rule). This section also adds definitions of the terms "drug-



related criminal activity," "mixed-finance project," "public housing agency plan," "Capital Fund," and "Operating Fund." Conforming amendments have been and will be made to applicable HUD regulations to reflect the statutory revisions to these terms.

**Section 507—Minimum Rent.** Section 507 of the Public Housing Reform Act became effective October 21, 1998, and was implemented by the February 18, 1999 Notice of Initial Guidance, which provided guidance on how PHAs should comply until publication of the Admissions and Occupancy final rule. Publication of this rule is expected within the next several weeks.

**Section 508—Determination of Adjusted Income and Median Income.** Section 508 of the Public Housing Reform Act amends section 3(b)(5) of the 1937 Act to provide the manner in which adjusted income and median income will be determined, and provides certain mandatory exclusions. This section was effective beginning on October 1, 1999 (except that the provision relating to income limits in Rockland County, New York was effective October 21, 1998). In anticipation of the final rule on Admissions and Occupancy, HUD published a Notice of Guidance on Public Housing Rent Policies in the Federal Register on August 6, 1999 (64 FR 42956), which made clear that the choice of rent and mandatory disregard of increased earned income provisions were to be implemented by PHAs on October 1, 1999. As the August 6, 1999 notice stated, any PHAs which followed that guidance will not be penalized for any changes made by HUD at the final rule stage.

**Section 509—Family Self-Sufficiency Program.** Section 509 of the Public Housing Reform Act amends section 23 of the 1937 Act, regarding the Family Self-Sufficiency program, and was effective beginning on October 21, 1998. This section was implemented by the February 18, 1999 Notice of Initial Guidance and will be elaborated on in the Admissions and Occupancy final rule.

**Section 510—Prohibition on Use of Funds.** Section 510 of the Public Housing Reform Act is effective beginning on October 1, 1999. Section 510 amends section 5 of the 1937 Act by adding a new subsection (l) that provides as follows:

None of the funds made available to the Department of Housing and Urban Development to carry out [the Public Housing Reform Act], which are obligated to State or local governments, public housing agencies, housing finance agencies, or other

public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.

No rulemaking is necessary to implement this section.

**Section 511—Public Housing Agency Plan.** Section 511 of the Public Housing Reform Act adds a new section 5A to the 1937 Act that requires each PHA, beginning with Federal Fiscal Year 2000 funds, to submit a PHA Plan consisting of a 5-Year Plan and an Annual Plan. Section 511 was implemented by the interim rule published on February 18, 1999. On July 30, 1999, HUD issued Notice PIH 99-33, which provides the electronic template for PHA Plan submissions. HUD published the final rule on the PHA Plan on October 21, 1999. On November 24, 1999 (64 FR 66106), HUD published a Federal Register notice announcing optional extensions for first PHA Plan due dates for PHAs with fiscal years beginning on January 1, 2000 and April 1, 2000. On December 14, 1999, HUD issued PIH Notice 99-51, which supplements the initial electronic template. HUD expects to provide further information and direction.

**Section 512—Community Service and Family Self-Sufficiency Requirements.** The portion of section 512 which prevents reductions in assisted housing rents where a family has had its welfare benefits reduced for fraud or failure to comply with self-sufficiency requirements was implemented in the February 18, 1999 Notice of Initial Guidance and will be elaborated on in the Admissions and Occupancy final rule. Those documents also implemented the requirement that PHAs use best efforts to enter into cooperation agreements with local agencies, both to target services which will help housing assistance recipients become self-sufficient and to provide information needed to administer the new rent and community service provisions.

The remainder of section 512 became effective beginning on October 1, 1999. Section 512 amends section 12 of the 1937 Act by adding a new subsection (c) that imposes a requirement on adult public housing residents, with important exceptions, to participate for at least 8 hours per month in a community service or economic self-sufficiency program. In some cases, PHAs must not renew a resident's 12-month lease for failure to satisfy this requirement. Each PHA must include in its PHA Plan a detailed description of the manner in which the agency intends to implement and administer the community service requirement.

Although section 12(c) was effective beginning on October 1, 1999, PHAs must have sufficient time to develop community service programs and include detailed descriptions in their PHA Plan as the law requires.

Accordingly, PHAs that are required to submit their PHA Plans for the fiscal years commencing January 1, 2000 or April 1, 2000 are not required to include community service programs in those Plans. HUD's final rule on Admissions and Occupancy will assist PHAs with their planning of the community service programs.

**Section 513—Income Targeting for Public Housing and Tenant-Based Section 8 Assistance.** Section 513 of the Public Housing Reform Act, which was effective beginning on October 21, 1998, amends section 16 of the 1937 Act to establish, among other things, public housing deconcentration and income mixing requirements and income targeting requirements for public housing and tenant-based Section 8 assistance, including annual requirements for admitting families with incomes below 30% of area median income. The deconcentration and income mixing requirements were initially implemented by the February 18, 1999 Notice of Initial Guidance and the PHA Plan interim rule, and are included in the PHA Plan final rule (for which further direction will be provided as indicated above).

The income targeting requirements were implemented by the February 18, 1999 Notice of Initial Guidance and are contained in the final rule on the statutory merger of the Section 8 certificate and voucher programs (for Section 8 tenant-based assistance), and will be contained in the Admissions and Occupancy final rule (for public housing as well as section 8 project-based assistance).

**Section 514—Repeal of Federal Preferences.** Section 514 of the Public Housing Reform Act was effective as of October 21, 1998, and was initially implemented by the February 18, 1999 Notice of Initial Guidance. Final guidance is now provided in the final rule implementing the statutory merger of the Section 8 Certificate and Voucher programs (for Section 8 tenant-based assistance) and will be provided in the Admissions and Occupancy final rule (for public housing as well as section 8 project-based assistance).

**Section 515—Joint Ventures and Consortia of PHAs.** Section 515 of the Public Housing Reform Act creates a new section 13 of the 1937 Act, and was effective beginning on October 1, 1999. New section 13(a) authorizes PHAs to administer any or all of their housing

programs through a consortium of PHAs. New section 13(b) authorizes PHAs to use subsidiaries, joint ventures, partnerships or other business arrangements to administer their housing programs or to provide supportive or social services. As noted earlier in this notice, a proposed rule implementing section 515 was published on September 14, 1999 (64 FR 49940).

In the September 14, 1999 proposed rule, HUD noted that before enactment of section 13, some PHAs had established cooperative arrangements for carrying out some of their responsibilities. A principal difference between such arrangements and consortia as authorized under new section 13, is that under section 13 funding may be directed to a representative of the consortium on behalf of several PHAs instead of being paid to the PHAs separately. Another major difference is that under a section 13 consortium, a joint PHA plan is submitted on behalf of participating PHAs. Enactment of section 13, however, does not restrict the ability of PHAs to continue to establish cooperative arrangements under which they receive funding separately and submit separate PHA plans.

HUD also noted that with respect to joint ventures, partnerships, affiliates, subsidiaries, and other business arrangements, the September 14, 1999 proposed rule only covered the public housing program. PHAs engaged in Section 8 program administration have been and continue to be free to engage in such arrangements without any new regulatory restrictions.

HUD's final rule implementing section 515 is under development. PHAs that wish to form consortia may indicate this in PHA Plans that are submitted prior to the effective date of the final rule. PHAs then, after the final rule is effective, may propose consortia through "significant amendments" to their PHA Plans.

**Section 516—Public Housing Agency Mortgages and Security Interests.** Section 516 of the Public Housing Reform Act, which was effective beginning on October 1, 1999, provides that HUD may, upon such terms and conditions as HUD may prescribe, authorize a PHA to mortgage or otherwise grant a security interest in any public housing project or other property of the PHA. In making any such authorization, HUD may consider the ability of the PHA to use the proceeds of the mortgage or security interest for low-income housing uses; the ability of the PHA to make payments on the mortgage or security interest; and

other criteria. Section 516 also provides that no action taken under this provision shall result in any liability to the Federal government.

Until rulemaking is done, PHAs wishing to use the authority of section 516 may submit requests to HUD headquarters, Office of Public Housing Investments, Room 4130. HUD will review such requests and provide approvals on a case-by-case basis if appropriate. However, HUD's review of such requests will take into account the fact that rulemaking is pending and that these regulatory requirements, once established, will guide implementation of section 516. To minimize the risk of loss of public housing property, HUD also will encourage full collateralization of any debt secured by such a mortgage, independent of and at risk before the public housing property. In addition, until rulemaking is completed, the regulations in 24 CFR part 941, subpart F (mixed finance development) continue to govern.

**Section 517—Mental Health Action Plan.** Section 517 of the Public Housing Reform Act was effective beginning on October 1, 1999. Section 517 provides that HUD, in consultation with the Department of Health and Human Services, the Department of Labor, and State and local officials, shall develop an action plan and a list of recommendations for improving severe mental illness treatment to families and individuals receiving housing assistance under the 1937 Act. Additionally, HUD is required to develop and disseminate a list of current practices that serve to benefit persons in need of mental health care. HUD has met with the other Federal agencies involved and has begun the process of developing the action plan and fulfilling other requirements.

**Section 518(b)—Local Notification.** Section 518(b) of the Public Housing Reform Act was effective beginning on October 1, 1999. Section 518(b) amends section 5(e)(2) of the 1937 Act to provide, generally, that HUD shall require each local cooperation agreement to provide that, notwithstanding any order, judgment, or decree of any court (including any settlement order), before making any amounts available for use for the development of any housing or other property not previously used as public housing, the PHA shall: (1) notify the appropriate local government official of such use, and (2) pursuant to the request of such local government, provide such information as may reasonably be requested by the local government regarding the public housing to be so assisted (except to the extent otherwise

prohibited by law). PHAs must comply with the requirements of section 518(b) beginning on October 1, 1999, and should endeavor to have cooperation agreements amended accordingly. HUD may provide further elaboration on this provision in the forthcoming rulemaking on the Capital Fund program (the non-formula rulemaking) and eventually may make it an amendment to the Annual Contributions Contract (ACC).

**Section 519—Public Housing Capital and Operating Funds.** Section 519 of the Public Housing Reform Act amends section 9 of the 1937 Act to establish a Capital Fund and an Operating Fund for public housing. Section 519 also provides that HUD shall develop the formulas for allocating such funds through negotiated rulemaking procedures.

1. **Capital Fund.** As noted earlier in this notice, a final rule has been published allowing fiscal 1999 Comprehensive Improvement Assistance Program (CIAP) funds to be distributed by formula. In addition, negotiated rulemaking on the Capital Fund formula has been completed and the proposed rule, as also noted earlier in this notice, was published on September 14, 1999. Federal Fiscal Year 2000 Capital Funds will be distributed pursuant to the final rule on the Capital Fund formula. Upon the effective date of the final rule implementing the Capital Fund formula, PHAs may begin to undertake the eligible activities listed in section 9(d)(1) of the 1937 Act.

HUD intends soon to publish a proposed rule on all aspects of the Capital Fund program (other than the formula), with a final rule to follow in the first half of calendar year 2000. Until completion of that rulemaking, the regulations at 24 CFR part 968 continue to apply to assistance made available to PHAs through the Comprehensive Grant Program (CGP) or CIAP under section 14 of the 1937 Act for Federal fiscal year 1999 and prior years unless this Notice provides otherwise. In addition, the regulations at 24 CFR part 941 continue to apply to assistance made available under those provisions.

Effective October 21, 1998, new section 9(g)(2) of the 1937 Act allows PHAs with less than 250 dwelling units (small PHAs), to use capital or operating funds for any eligible capital or operating expense subject to certain conditions. This provision was implemented in the February 18, 1999 Notice of Initial Guidance. PHAs should follow that guidance until completion of rulemaking on the Capital Fund program.

Section 9(g)(3)(A) states that, with certain exceptions, a PHA may not use any of the amounts allocated for the PHA from the Capital Fund or Operating Fund for the purpose of constructing any public housing unit, if such construction would result in a net increase from the number of public housing units owned, assisted, or operated by the PHA on October 1, 1999, including any public housing units demolished as part of any revitalization effort. HUD's current regulations at 24 CFR part 941 require HUD authorization for such PHA activity. Until rulemaking on the new law is completed, HUD will provide the necessary authorization where consistent with the standards of the new law.

Section 9(m) allows the commitment of capital assistance only (as well as operating assistance only, as discussed later in this notice) to public housing units in appropriate circumstances. This will be the subject of rulemaking in the near future. Until that time, PHAs wishing to use this provision for the development of public housing must request HUD approval. Until rulemaking is completed, public housing units developed and operated using capital assistance only shall be subject to all public housing laws and regulations.

2. *Operating Fund.* Negotiated rulemaking on the Operating Fund formula is still underway, and the current operating formula may continue as section 519 permits. Upon the effective date of the final rule implementing the Operating Fund formula, PHAs may begin to undertake the eligible activities listed in section 9(e)(1) of the 1937 Act (except use of the Operating Fund for repayment of debt service incurred to finance rehabilitation or development of public housing, which the statute makes subject to reasonable requirements set by HUD; such requirements will be the subject of rulemaking).

Except as otherwise provided in this Notice, the Performance Funding System and current program rules at 24 CFR part 990 will continue to apply to operating subsidy provided to PHAs under section 9 of the 1937 Act, as in effect prior to October 21, 1998. Section 9(l), however, provides that income from nonrental sources (as determined by the Secretary) is to be retained by PHAs and used only for low-income housing or to benefit assisted residents. This subsection therefore will be put in effect for Federal Fiscal Year 2000, by the funding notice regarding fiscal year 2000 operating subsidy.

Sections 518(d) and (e) of the Public Housing Reform Act include provisions

relating to ceiling rents, transitional funding before implementation of the new Operating Fund formula, and the adoption of rental amounts other than ceiling rents or optional earned income disregards. These provisions were discussed in the February 18, 1999 Notice of Initial Guidance. PHAs should continue to follow that guidance until rulemaking on the Operating Fund or Admissions and Occupancy, as applicable, is completed.

Commencing October 1, 1999, PHAs are required to give residents a choice on an income-based rent or a flat rent. Until the new Operating Fund formula is implemented, flat rents set comparable to market (as provided by the August 6, 1999 Federal Register Notice of Guidance on Public Housing Rent Policies and as will be provided by the Admissions and Occupancy final rule) shall be treated in the same manner as ceiling rents were treated in the past. This will be elaborated on in the Federal Fiscal Year 2000 funding notice referenced above.

Section 9(m) allows for public housing assistance using operating assistance only. This will be the subject of rulemaking. Until rulemaking is completed, PHAs wishing to use this provision must request HUD approval and the housing assisted in this manner will be subject to all public housing laws and regulations.

3. *Other Provisions.* Section 9(h) of the 1937 Act, regarding technical assistance and related activities, is effective immediately and needs no regulations. Section 9(n)(2) and 9(n)(3), regarding New York City Housing Authority programs, were implemented by the Notice of Initial Guidance.

*Section 520—Total Development Costs.* Section 520 of the Public Housing Reform Act, effective October 1, 1999, amends sections 3(c)(1) and 6(b) of the 1937 Act, which govern Total Development Costs for the development of public housing. HUD expects to conduct rulemaking on section 520. Until rulemaking is completed, PHAs should follow PIH Notice 99-17, issued March 15, 1999, which is consistent with section 520.

*Section 521—Sanctions for Improper Use of Amounts.* Section 521 of the Public Housing Reform Act was effective beginning on October 1, 1999. Section 521 amends section 6(j) of the 1937 Act to provide for sanctions which HUD may impose on a PHA receiving amounts from the Capital Fund or Operating Fund for public housing if the PHA has failed to comply substantially with any provision of the 1937 Act relating to the public housing program. Section 521 also contains provisions

regarding the termination of such sanctions. Rulemaking is not necessary to implement this section. However, HUD will reference this sanction authority in appropriate program regulations.

*Section 522—Repeal of Modernization Fund.* Section 522(a) of the Public Housing Reform Act, which repeals section 14 of the 1937 Act, was effective beginning on October 1, 1999 (for guidance see the discussion of section 519 of the Public Housing Reform Act, above). Sections 522(b)(1) through 522(b)(4) of the Public Housing Reform Act contain conforming amendments which were effective October 1, 1999. Section 522(b)(5) contains a conforming amendment regarding the use of HOME program funds for public housing (see the HUD Office of Community Planning and Development memorandum on the "Impacts of the 1999 Appropriations Act on HOME and SHOP" dated November 23, 1998, and the clarifying memorandum on the same subject dated March 25, 1999). Section 522(c) was effective on October 21, 1998 and provides that, before implementation of the Capital Fund and Operating Fund formulas, PHAs may continue to use the authority in section 14(q) of the 1937 Act, as amended (including the amendment made by section 208 of the fiscal year 1999 HUD appropriations act), notwithstanding the repeal of the modernization fund by section 522(a).

*Section 523—Family Choice of Rental Payment.* Section 523 of the Public Housing Reform Act is effective October 1, 1999. Section 523 amends section 3(a) of the 1937 Act to provide that each family can elect annually whether the rent payment is a flat rate or income based. Guidance on how to implement this provision was discussed in the February 18, 1999 Notice of Initial Guidance and in the August 6, 1999 Federal Register Notice of Guidance on Public Housing Rent Policies.

Final guidance on section 523 will be contained in the Admissions and Occupancy final rule. The final guidance on flat rents may result in somewhat different flat rents from those PHAs have implemented if they followed the August 6, 1999 Federal Register guidance. If so, PHAs must change their flat rents accordingly, in time to include such flat rents in PHA Plans for fiscal years commencing on and after July 1, 2000.

*Section 524—Occupancy by Police Officers and Over-Income Families.* Section 524 of the Public Housing Reform Act became effective on October 21, 1998 and was originally implemented in the February 18, 1999

Notice of Initial Guidance. Section 524 allows PHAs, under certain conditions, to allow police officers who are not otherwise eligible for public housing, and over-income families, to occupy a public housing unit. Section 524 is being implemented by the final rule on Admissions and Occupancy.

**Section 525—Site-Based Waiting Lists.** Section 525 of the Public Housing Reform Act, effective October 1, 1999, amends section 6 of the 1937 Act to allow PHAs to establish a system of site-based waiting lists, subject to applicable civil rights laws. Section 525 was initially implemented in the PHA Plan interim rule published on February 18, 1999. Implementation of this provision is made final by the PHA Plan final rule published on October 21, 1999.

**Section 526—Pet Ownership.** Section 526 of the Public Housing Reform Act provides that public housing residents may have pets, subject to the reasonable requirements of PHAs and other conditions. This section will be effective on completion of the rulemaking that is now in progress.

**Section 529—Contract Provisions.** Section 529 of the Public Housing Reform Act, effective October 1, 1999, amends section 6 of the 1937 Act to make technical and conforming changes to the contents of ACC for the public housing program. No rulemaking is necessary or anticipated.

**Section 530—Housing Quality Requirements.** Effective October 1, 1999, Section 530 amends section 6 of the 1937 Act to add a new subsection (f), which requires ACCs to include a requirement that a PHA maintain its public housing units in compliance with safety and habitability standards specified by HUD. For implementation guidance, PHAs should refer to the discussion of section 530 in the February 18, 1999 Notice of Initial Guidance. No rulemaking is necessary or anticipated. However, HUD will issue an amendment to the ACC to reflect this provision.

**Section 531—Demolition and Disposition of Public Housing.** Section 531 of the Public Housing Reform Act amends section 18 of the 1937 Act. Section 531 became effective on October 21, 1998 and was implemented by the February 18, 1999 Notice of Initial Guidance, the PHA Plan interim rule, and PIH Notice 99-19 issued on April 20, 1999. PHAs should rely on that guidance and on the PHA Plan final rule until HUD completes its rulemaking revising 24 CFR part 970. Until HUD completes rulemaking on section 531, PHAs also must comply with the regulations in 24 CFR part 970 except to the extent that these regulations have

been revised by section 531 and the revisions were implemented by the February 18, 1999 Notice of Initial Guidance and PIH Notice 99-19.

**Section 532—Resident Councils and Resident Management Corporations.** Section 532 of the Public Housing Reform Act revises section 20 of the 1937 Act and was effective October 1, 1999. HUD issued a proposed rule implementing section 532, published on October 21, 1999, which provides for the direct payment of operating and capital funds from HUD to Resident Management Corporations (RMCs). HUD expects to conduct comprehensive rulemaking on resident participation during Federal Fiscal Year 2000.

**Section 533—Voluntary Conversion of Public Housing to Vouchers.** Section 533 of the Public Housing Reform Act became effective October 1, 1999. Section 533 amends section 22 of the 1937 Act to allow PHAs to convert public housing to tenant-based assistance under certain conditions. As noted earlier in this notice, HUD published a proposed rule to implement this section on July 23, 1999. The public comment period on this rule closed September 21, 1999. PHAs that wish to commence the conversion assessment of all their properties required by section 22(b) (2) and (3), may begin that assessment by following the process for certifications under § 97.2.207(b)(1) of the proposed rule. Because the "cost test" may change at the final rule stage, PHAs should not begin to apply that test with respect to assessments or possible voluntary conversions.

**Section 534—Transfer of Management of Certain Housing.** Section 534 which became effective October 1, 1999 amends section 25 of the 1937 Act to provide that HUD may transfer the management of public housing from a PHA to another management entity in accordance with certain requirements. Residents may use this authority by making a request to the HUD field office. No rulemaking is necessary or anticipated.

**Section 535—Demolition, Site Revitalization, Replacement Housing, and Tenant-Based Assistance Grants for Projects (HOPE VI).** Section 535 of the Public Housing Reform Act amends section 24 of the 1937 Act to provide continued authority for the HOPE VI program, and establishes application selection and grant requirements. This provision was effective beginning on October 21, 1998 and was substantially implemented by HUD's Fiscal Year 1999 Notice of Funding Availability (NOFA) for the HOPE VI program (which was part of HUD's Fiscal Year 1999 SuperNOFA, published in the Federal

Register on February 26, 1999 (64 FR 9618)). HUD may undertake rulemaking on section 535 in Federal Fiscal Year 2000.

**Section 536—Public Housing Homeownership.** Section 536 of the Public Housing Reform Act, which became effective October 1, 1999, adds section 32 to the 1937 Act, which authorizes a new public housing homeownership program that replaces, but is substantially based on, the former "Section 5(h) program." As noted earlier in this notice, HUD published a proposed rule to implement section 536 on September 14, 1999. The public comment period for this rule closed November 15, 1999.

Until the final rule is published, HUD will process public housing homeownership proposals under its Section 5(h) program regulations at 24 CFR part 906. As noted, the Congress modeled section 32 on the Section 5(h) program, and there are many similarities between section 32 and the part 906 regulations. Accordingly, the use of 24 CFR part 906 until rulemaking on section 32 is completed is consistent with Congressional intent. Further, the use of the part 906 regulations will permit HUD to process homeownership proposals using well established regulatory requirements.

**Section 537—Required Conversion of Public Housing to Vouchers.** Section 537 of the Public Housing Reform Act, effective October 1, 1999, adds a new section 33 to the 1937 Act concerning the removal of public housing units identified as distressed from the public housing inventory and the ACC. As noted earlier in this notice, HUD published a proposed rule on section 537 on July 23, 1999. The public comment period on this rule closed on September 21, 1999. While the final rule is being completed, PHAs should prepare for required conversion by determining if the PHA has developments that would fail the vacancy rate test included in part 97.2.104(b) of the proposed rule and, if so, devoting appropriate attention to the situation of any such development.

Although section 202 of the fiscal year 1996 HUD Appropriations Act (the forerunner to section 537) is repealed, it continues to apply to public housing identified by HUD or a PHA prior to October 21, 1998 for conversion or for assessment of whether conversion is required under section 202.

**Section 538—Linking Services to Public Housing Residents.** Section 538 of the Public Housing Reform Act became effective October 21, 1998. Section 538 adds a new section 34 to the 1937 Act, which authorizes a program of

supportive services and resident empowerment activities to assist public housing residents in becoming self-sufficient. Section 34 was implemented through a Fiscal Year 1999 NOFA (Resident Opportunities and Self-Sufficiency (ROSS) Program) published on August 10, 1998 (64 FR 43530). HUD may undertake a rulemaking to codify its implementation of section 534 in Federal Fiscal Year 2000.

**Section 539—Mixed-Finance Public Housing.** Section 539 of the Public Housing Reform Act, effective October 1, 1999, authorizes PHAs to own, operate, assist or otherwise participate in one or more mixed-finance projects, in accordance with certain requirements. HUD will undertake a rulemaking to implement section 539 in Federal Fiscal Year 2000. Until this future rulemaking is completed, parties proposing to use these provisions must notify HUD. The existing regulations at 24 CFR part 941, subpart F will continue to apply to mixed-finance transactions to the extent they are consistent with section 539.

**Section 545—Merger of Certificate and Voucher Programs.** Section 545 of the Public Housing Reform Act amends section 8(o) of the 1937 Act to merge the Section 8 tenant-based Certificate and Voucher programs into a new Housing Choice Voucher Program. As noted earlier in this notice, HUD published an interim rule implementing section 545 on May 14, 1999. The May 14, 1999 interim rule provided for an effective date of August 14, 1999. By Federal Register notice published on August 11, 1999 (64 FR 43613), HUD extended the effective date to October 1, 1999. On September 14, 1999 (64 FR 49656), HUD published a technical correction to the May 14, 1999 interim rule. The final rule was published on October 21, 1999. Additionally, on November 3, 1999 (64 FR 59620), HUD published an amendment to the final rule concerning initial rent burden of certain voucher holders.

**Section 546—Public Housing Agencies.** Section 546 of the Public Housing Reform Act amends the definition of the term "public housing agency" and is implemented by the Housing Choice Voucher Program final rule.

**Section 547—Administrative Fees.** Section 547 of the Public Housing Reform Act amends section 8(q) of the 1937 Act relating to Section 8 administrative fees, and is effective for fiscal year 1999 and subsequent fiscal years. Section 547 was implemented by the February 18, 1999 Notice of Initial Guidance and will be supplemented by annual notices. As discussed in the

Notice of Initial Guidance, PHAs may propose fee adjustments where they incur additional expenses to serve persons with disabilities more fully.

**Section 548—Law Enforcement and Security Personnel in Assisted Housing.** Section 548 of the 1998, which became effective October 1, 1999, provides, that for purposes of increasing security, Section 8 project-based assistance may be provided to police officers and other security personnel who are not otherwise eligible for assistance. This section is addressed in HUD's proposed rule on Admissions and Occupancy.

**Section 549—Advance Notice to Tenants of Expiration, Termination, or Owner Nonrenewal of Assistance Contract.** Section 549 of the Public Housing Reform Act was effective as of October 21, 1998. This provision was implemented for the Section 8 tenant-based assistance program by the February 18, 1999 Notice of Initial Guidance and by PIH Notice 98-64, and is elaborated on in the Housing Choice Voucher Program interim and final rules.

**Section 550—Technical and Conforming Amendments.** Section 550 of the Public Housing Reform Act, which became effective beginning on October 1, 1999, contains various technical and conforming amendments relating to the statutory merger of the tenant-based Section 8 certificate and voucher programs. No rulemaking is necessary or anticipated.

**Section 551—Funding and Allocation.** Section 551 of the Public Housing Reform Act was implemented and made effective by the February 18, 1999 Notice of Initial Guidance, to which PHAs should refer for guidance. In general, section 551 provides that local government comments with respect to affected PHA applications for Section 8 and public housing funds are no longer required.

**Section 553—Portability.** Section 553 of the Public Housing Reform Act amends section 8(r) of the 1937 Act with respect to the portability of tenant-based Section 8 assistance. Section 553 is made effective by the Housing Choice Voucher Program interim and final rules.

**Section 554—Leasing to Voucher Holders.** Section 554 permanently repeals the so-called "take one, take all" provision in the Section 8 tenant-based assistance program as of October 21, 1998. Section 554 is also discussed in the February 18, 1999 Notice of Initial Guidance and in the Housing Choice Voucher Program interim and final rules.

**Section 555—Homeownership Option.** Section 555 of the Public Housing

Reform Act amends section 8(y) of the 1937 Act, effective October 21, 1998, to authorize a PHA to provide tenant-based Section 8 assistance for an eligible family that purchases a dwelling unit that will be occupied by the family. As noted earlier in this notice, HUD published a proposed rule to implement section 555 on April 30, 1999, and expects to issue a final rule within the next several months. HUD has demonstration authority under section 555 and has approved several demonstrations which are consistent with the proposed rule.

**Section 556—Renewals.** Section 556 of the Public Housing Reform Act amends the 1937 Act by adding subsection 8(dd), which directs HUD to establish an allocation baseline amount of assistance to cover the renewal of expiring tenant-based Section 8 ACCs, and to apply an inflation factor (based on local or regional factors) to the baseline. Section 556 also required HUD to implement this provision through notice not later than December 31, 1998, and to issue final regulations on the allocation of tenant-based Section 8 ACC renewal funding that are developed through negotiated rulemaking no later than October 21, 1999. Consistent with the statutory requirement, HUD issued PIH Notice 98-65 on December 30, 1999. This notice was published for the convenience of the public on February 18, 1999 (64 FR 8188). The required final rule was published on October 21, 1999.

**Section 557—Manufactured Housing Demonstration Program.** Section 557 of the Public Housing Reform Act became effective October 21, 1998 and requires HUD to carry out a program during Federal Fiscal Years 1999, 2000, and 2001 to demonstrate the effectiveness of providing tenant-based Section 8 assistance directly to eligible families that own manufactured homes and rent real property on which their homes are located. This demonstration program was implemented by letter to the participating housing authorities.

**Section 559—Rulemaking and Implementation.** Section 559 of the Public Housing Reform Act, effective October 21, 1998, requires HUD to issue any interim regulations necessary for the merger of tenant-based Section 8 certificate and voucher assistance. Section 559 also requires HUD to issue final regulations not later than one year after enactment of the Public Housing Reform Act. As discussed previously in this notice, HUD issued its interim rule on the Housing Choice Voucher Program on May 14, 1999. The final rule was published on October 21, 1999.



**Section 561—Home Rule Flexible Grant Demonstration.** Section 561 adds a demonstration program in which eligible jurisdictions, typically units of general local government, could receive public housing and tenant-based assistance for up to five years to meet specified performance goals. The demonstration became effective on October 21, 1998, and was implemented in the February 18, 1999 Notice of Initial Guidance.

As the February 18, 1999 Notice of Initial Guidance stated, any eligible jurisdiction wishing to participate in the demonstration may follow the statute's requirements and submit an application to HUD. HUD will not approve such an application, however, unless the application presents a compelling case that the eligible jurisdiction's participation and proposal would achieve the goals of the statute (which include the underlying program management and performance goals of the public housing and tenant-based assistance programs) in a superior manner to continuation of program management with the affected PHA.

**Section 563—Performance Evaluation Study.** Section 563 of the Public Housing Reform Act, effective October 21, 1998, directs HUD to provide for a study to be conducted to determine the effectiveness of various alternative methods of evaluating the performance of PHAs and other providers of federally assisted housing. Section 563 also requires HUD to request that the National Academy of Public Administration (NAPA) enter into a contract to conduct the study. HUD has entered into such a contract with NAPA and the study is proceeding.

**Section 564—Public Housing Management Assessment Program.** Section 564 of the Public Housing Reform Act, effective October 1, 1999, amends section 6(j) of the 1937 Act to modify and add to the indicators HUD uses to evaluate PHA management performance. These provisions are addressed in the June 22, 1999 PHAS proposed rule, and will be included in the final rule. Notification that the provisions amending requirements for independent assessment of newly troubled PHAs were in effect was provided by the Initial Guidance Update Notice, published on April 30, 1999 (64 FR 23344). As noted earlier in Section II of this Notice, further details regarding the phase-in of the Public Housing Assessment System (PHAS) were published in a Federal Register notice on October 21, 1999.

**Section 565—Expansion of Powers for Dealing with Public Housing Agencies in Substantial Default.** Effective October

21, 1998, section 565 of the Public Housing Reform Act provides for an expansion of various powers to be exercised by HUD or receivers and requires HUD to petition for court-ordered receivership (or to implement an administrative receivership, in the case of PHAs with fewer than 1,250 public housing units), with respect to certain troubled PHAs where the PHA remains troubled longer than the specified time period. This provision was implemented in the February 18, 1999 Notice of Initial Guidance, was elaborated on in the June 22, 1999 PHAS proposed rule, and will be part of the PHAS final rule.

**Section 566—Audits.** Section 566 of the Public Housing Reform Act, which became effective October 1, 1999, adds section 5(h) to the 1937 Act to require each ACC to provide that HUD, the HUD Inspector General, and the Comptroller of the United States shall have access to PHA records, and that HUD may withhold assistance from PHAs to pay for audit costs in some circumstances. HUD will begin a process of amending such contracts accordingly.

**Section 567—Advisory Council for Housing Authority of New Orleans.** Section 567 of the Public Housing Reform Act requires appointment of such an Advisory Council. No regulation is necessary to implement this section.

**Section 568—Troubled PHAs and Consolidated Plans.** Section 568 of the Public Housing Reform Act requires local jurisdictions with troubled PHAs to describe in their Consolidated Plans the manner in which they will assist the PHA in improving its operations to remove the troubled designation. Section 568 became effective October 1, 1999, and will be addressed in rulemaking on Consolidated Plans.

**Section 575—Provisions Applicable Only to Public Housing and Section 8 Assistance.** Section 575 of the Public Housing Reform Act contains provisions regarding public housing grievance procedures, termination of tenancy in public housing, availability of criminal records in connection with project-based assisted housing and obtaining information from drug abuse treatment facilities. These provisions generally became effective October 1, 1999. The provision concerning obtaining information from drug abuse treatment facilities, however, was implemented in the February 18, 1999 Notice of Initial Guidance. The remaining provisions are found in HUD's July 23, 1999 "One Strike" proposed rule. The public comment period on this proposed rule closed September 21, 1999.

**Section 576—Screening of Applicants for Federally Assisted Housing.** Section 576 of the Public Housing Reform Act, effective October 1, 1999, is covered by HUD's July 23, 1999 "One Strike" proposed rule.

**Section 577—Termination of Tenancy and Assistance.** Section 577 of the Public Housing Reform Act, which became effective October 1, 1999, is covered by the "One Strike" proposed rule.

**Section 578—Ineligibility of Dangerous Sex Offenders for Public Housing.** Section 578 of the Public Housing Reform Act, which became effective October 1, 1999, is covered by HUD's July 23, 1999 "One Strike" proposed rule.

**Section 579—Definitions.** The definitions in Section 579 of the Public Housing Reform Act are applicable to the requirements described in section 575-578.

**Section 581—Annual Report.** Section 581 of the Public Housing Reform Act requires an annual report on the impact of the Public Housing Reform Act on the demographics of assistance recipients and the economic viability of PHAs, as well as the employment status and earned income of public housing residents. The first such annual report was submitted to the Congress in accordance with the required schedule.

**Section 582—Repeals.** No regulation is necessary to effectuate these repeals, which became effective October 1, 1999.

**Section 583—Consolidated Plans.** Section 583 of the Public Housing Reform Act, which became effective October 1, 1999, requires Consolidated Plans to describe the manner in which the plans will help address the needs of the jurisdiction's public housing. This section will be implemented through rulemaking on Consolidated Plans.

**Section 584—Use of American Products.** Section 584 of the Public Housing Reform Act was implemented in the February 18, 1999 Notice of Initial Guidance. No further regulation is necessary.

**Section 585—GAO Study on Housing Assistance Programs.** The study required by this section is under way.

**Section 586—Drug Elimination Program.** These amendments were implemented by the Public Housing Drug Elimination Program (PHDEP) final rule, published on September 14, 1999, which among other things, provides for formula funding commencing with fiscal year 1999 funding.

**Section 587—Report on Drug Elimination Contracts.** This report was submitted to Congress as required.

**Section 589—Notice on Treatment of Occupancy Standards.** This notice was developed and published in the Federal Register on December 18, 1998 (63 FR 70256) as required. No further regulation is necessary.

**Section 592—Use of Assisted Housing by Aliens.** Section 592 of the Public Housing Reform Act, which clarified the scope of PHA "opt outs" for determining alien status, was implemented by the final rule on "Revised Restriction on Assistance to Noncitizens," published on May 12, 1999.

**Section 595—Native American Housing Assistance.** Section 595 of the Public Housing Reform Act made various changes affecting public housing and other housing assistance for Native Americans. The provisions of this section have been implemented by notice. No regulations are necessary or anticipated.

**Section 596—Community Development Block Grants Public Services Cap.** Section 596 of the Public Housing Reform Act extends a waiver from the cap on public services spending for Los Angeles. No regulations are necessary.

**Section 597—Moderate Rehabilitation Terms for Contract Renewals.** These terms were implemented in the February 18, 1999 Notice of Initial Guidance and by Notice PIH 98-62. No regulations are necessary or anticipated.

**Section 599—Tenant Participation.** Section 599 of the Public Housing Reform Act largely covers project-based assisted housing tenant participation rules, but also covers moderate rehabilitation projects and certain projects which receive enhanced vouchers. A proposed rule was published on June 17, 1999 (64 FR 32782). HUD received 73 public comments on the proposed rule.

**Section 599H—Miscellaneous.** Section 599H of the Public Housing Reform Act covers various matters largely relating to particular communities. This section was effective October 21, 1998. None of the matters covered require further regulations.

#### Conclusion

Implementation of the Public Housing Reform Act has presented a challenge to HUD and its partners. HUD appreciates the comments submitted to date on its proposed and interim rules (over 600 apart from the proposed rule on pet policies), and those provided at the public forums. HUD also appreciates the hard work of the three negotiated rulemaking committees that were formed to assist in the development of three important formula rules. The

input of HUD's partners, program participants and other interested members of the public has greatly assisted HUD in the promulgation of the rules and notices issued to date under the Public Housing Reform Act.

HUD is committed to working closely with its public housing and Section 8 partners to make the changes in its public housing and Section 8 programs a success. HUD will continue to provide additional guidance and seek public involvement through all appropriate means, so that the purposes and promise of this important legislation may be fulfilled.

Dated: December 15, 1999.

Rod Solomon,

Deputy Assistant Secretary for Policy, Program and Legislative Initiatives.

[FR Doc. 99-33106 Filed 12-21-99; 8:45 am]

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## DEPARTMENT OF THE INTERIOR

### Fish and Wildlife Service

#### Notice of Dates and Location for Public Scoping Meetings

**AGENCY:** Fish and Wildlife Service, Interior, New York State Department of Environmental Conservation; Vermont Fish and Wildlife Department.

**ACTION:** Notice of dates and locations for public scoping meetings on supplemental environmental impact statement for a sea lamprey control proposal in Lake Champlain.

**SUMMARY:** The U.S. Fish and Wildlife Service in cooperation with the Vermont Department of Fish and Wildlife and the New York State Department of Environmental Conservation announces its intention to hold four public scoping meetings on the Supplemental Environmental Impact Statement for sea lamprey control in Lake Champlain. The SEIS will evaluate a proposal to continue sea lamprey control in Lake Champlain, to maintain reduced levels of sea lamprey and achieve further reductions. The SEIS will be prepared pursuant to section 102(2)(c) of the National Environmental Policy Act (NEPA) of 1969, in accordance with the Council on environmental Quality regulations for implementing NEPA (40 CFR parts 1500-1508). The Service invites other Federal agencies, states, Indian tribes, local governments, and the general public to attend the meetings and submit comments or suggestions concerning the scope of the issues to be addressed, alternatives to be analyzed, and the environmental impacts to be

addressed in the Draft Supplemental Environmental Impact Statement. Oral and written comments will be considered equally in preparation of the DSEIS. Those not desiring to submit comments or suggestions at this time, but who would like to receive a copy of the DSEIS for review, should send a request to Mr. Dave Tilton at the address given below.

**DATES AND LOCATIONS:** All written comments related to the scope and content of the DSEIS should be submitted to the Service by February 4, 2000, to the address given below. The scoping meetings will be held at the following times and locations. All meetings will start at 7 p.m. and run until 9:30 p.m.

#### New York Locations

**Date:** January 5, 2000.

**Location:** Clinton County Government Center, Old Court House, 2nd Floor Meeting Room, 1333 Margaret Street, Plattsburgh, NY 12901.

**Date:** January 6, 2000.

**Location:** Ticonderoga High School, Calkins Place, Ticonderoga, NY 12883.

#### Vermont Locations

**Date:** January 10, 2000

**Location:** Middlebury Union High School, 73 Charles Avenue, Middlebury, VT 05753.

**Date:** January 11, 2000

**Location:** Milton High School, 17 Rebecca Lander Drive, Milton, VT 05468.

**ADDRESSES:** Written comments and requests to be included on a mailing list of persons interested in receiving the DSEIS should be sent to Mr. Dave Tilton, Project Leader, U.S. Fish and Wildlife Service Lake Champlain Office, 11 Lincoln St., Essex Junction, Vermont 05452. Alternatively, comments may be submitted electronically to the following address: dave\_tilton@fws.gov.

**FOR FURTHER INFORMATION CONTACT:** Mr. Dave Tilton, Project Leader, USFWS Lake Champlain Office, 11 Lincoln St., Essex Junction, Vermont 05452, 802-951-6313. FAX 802-951-6315. New York contact person is Mr. Lary Nashett, Supervising Aquatic Biologist, New York Department of Environmental Conservation, Region 5, P.O. Box 296, Ray Brook, New York 12977, 518-897-1333. Vermont contact person is Mr. Tim Hess, Director of Fisheries, Vermont Department of Fish and Wildlife, 103 South Main Street, Waterbury, Vermont 05671, 802-241-3700.

**SUPPLEMENTARY INFORMATION:**

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**APPENDIX M****HOUSING CHOICE VOUCHER  
“ONE STRIKE POLICY”  
(Summary)****A. “One Strike” Policy Criteria**

Once an applicant has been selected for the HCV program, the individual is required to remain in compliance with his/her lease provisions as well as Springfield Housing Authority policies and procedures which govern the HCV Program and all Federal, State and Local laws. In addition to the Voucher holder being responsible for his/her own actions, he/she is accountable for the actions of other members of the household, guests or other invitees.

The HCV tenant will be held liable when he/she, other members of the household, guests or other invitees commit or have committed acts which seriously endanger the health, safety or welfare of other tenants or other community members. Such activities include, but are not limited to, criminal or illegal activity and criminal drug-related activity, even if the tenant had no prior knowledge of the circumstances surrounding such activity.

Criteria for screening potential violations of the “One Strike and You’re Out” policy provisions include, but are not limited to the following:

- a. Aggravated Assault/Battery
- b. Armed Robbery
- c. Armed Violence
- d. Arson
- e. Battery
- f. Burglary
- g. Homicide
- h. Prostitution
- i. Rape
- j. Robbery
- k. Sexual Assault/Battery
- l. Sexual Molestation
- m. Shooting/Shots Fired
- n. Stabbing
- o. Substance Abuse
- p. Theft

Other violations include the illegal use, possession, manufacture or sale of a firearm or other weapons or the threat to use an illegal firearm or other weapons and the illegal manufacture, sale, distribution, use, possession, or possession with intent to manufacture, sell, distribute or use of a controlled substance, unless such controlled substance was obtained pursuant to a valid prescription issued by a licensed medical practitioner.

**B. “One Strike” HCV Procedures**

1. HCV tenants, any member of the tenant’s household, guests or other invitees who are found in violation of the SHA’s “One Strike” policy is cause for termination of the tenant’s HCV assistance (regardless of whether the tenant had actual knowledge of the circumstances surrounding such activity).

2. Any and all reported violation(s) of the SHA “One Strike” policy will be investigated to determine the validity of the allegation as well as the sufficiency of the evidence prior to proceeding with termination activity.

**\* It should be noted that an arrest and/or conviction is not necessary to trigger and obtain a “One Strike” withdrawal of the tenant’s Voucher.**

3. In compliance with the “One Strike” Non-Discrimination statement, each case shall be reviewed and determined on an individual basis to ensure that the HCV tenant or any member of the tenant’s household, guest or other invitee had proven connection to the perpetrator of the violation. Violations will be declared to have occurred if the incident occurred at the HCV tenant’s dwelling or the perpetrator is a proven member of the tenant’s household, guest or other invitee.
4. In the event that evidence of a “One Strike” violation is proven to be sufficient against the HCV tenant, any member of the tenant’s household, guest or other invitee, the HCV Manager or his/her designee will process a voucher termination.
5. An HCV tenant facing termination of their HCV assistance for a “One Strike” provision violation may view any and all documents leading to the termination. However, the tenant may **not** grieve a “One Strike” termination process.

#### **C. Screening Out Illegal Drug Users and Alcohol Abusers**

1. The SHA shall prohibit admission to the HCV Programs to any person who:
  - a. the SHA determines is illegally using a controlled substance;
  - b. the SHA determines that there is reasonable cause to believe that 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; and
  - c. the SHA determines that there is reasonable cause to believe that the person’s pattern of illegal use of a controlled substance or pattern of abuse of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.
2. The SHA may waive this policy prohibiting admission in these circumstances if the person demonstrates to the SHA’s satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and:
  - a. has successfully completed a supervised drug/alcohol rehabilitation program;
  - b. has otherwise been rehabilitated successfully; or
  - c. is participating in a supervised drug or alcohol rehabilitation program

#### **D. Termination Assistance to Illegal Drug Users and Alcohol Abusers**

1. The SHA shall terminate HCV assistance of any person who the SHA determines:
  - a. is illegally using a controlled substance; or
  - b. that the abuse of alcohol interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

**E. Ineligibility if Evicted for Drug-Related Activity**

Drug-related criminal activity is the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use of a controlled substance.

Persons evicted from Public Housing, Indian Housing, Section 23 or terminated from any HCV program because of drug-related criminal activity are ineligible for admission to HCV programs for a five-year period beginning on the date of such eviction or termination.

The SHA may waive this requirement if:

- a. the person demonstrates successful completion of a rehabilitation program approved by the SHA; or
- b. the circumstances leading to the eviction no longer exist. For example, the individual involved in drugs is no longer in the household because the person is incarcerated.

**F. “One Strike” Non-Discrimination Notice**

Nothing in the “One-Strike” policy relieves the Springfield Housing Authority (SHA) from complying with Federal requirements prohibiting unlawful discrimination. In particular, in implementing the provisions described in this policy, the SHA must abide by all Federal laws prohibiting discrimination on the basis of race, color, sex, creed, national origin, religion, disability, familial status, sexual orientation, gender identity, marital status, age, or any other protected classification.

The SHA must apply the “One Strike and You’re Out” policy and procedures objectively in dealing with both applicants and participants. Only an individual’s particular behavior may be considered not traits that might be attributed to a specific group or category of persons. The SHA should carefully document the rationale for their decisions.

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**APPENDIX N****HCV HOMEOWNERSHIP PROGRAM  
FINAL RULE  
(EXECUTIVE SUMMARY)**

The HCV Homeownership Program Final Rule, issued September 12, 2000, amends the regulations for the HCV tenant-based rental assistance program to allow HCV payments to be made for homeownership purposes under specified circumstances and at the discretion of the PHA. A PHA may, at its option, use a portion of its HCV vouchers for homeownership purposes. The Homeownership Program does not require additional vouchers. The Preamble gives PHAs the option of making the program available to applicants and/or current beneficiaries of HCV tenant-based assistance eligible for homeownership assistance. There are income and work requirements for applicants to the Homeownership program that do not pertain to the HCV rental assistance program. The PHA not only has the option to decide whether to allow its voucher program to be used for homeownership (they do not have an option when homeownership is necessary as a reasonable accommodation for persons with disabilities or the elderly) but may also specify additional eligibility and other requirements. The purchase and lending procedures would be those of other FHA or conventional loans; lenders would use their own underwriting standards and other requirements.

This Rule incorporates many of these civil rights-related program requirements and other fair housing concerns:

The Preamble states that all civil rights laws applicable to tenant-based vouchers also apply to this Rule, and PHAs must comply with all contractual civil rights and fair housing requirements. Since "finders-keepers" also applies to homeownership, "steering" families to particular neighborhoods or units is prohibited.

The PHA must approve a live-in aide if needed as a reasonable accommodation, so that the program is readily accessible to and useable by persons with disabilities. [982.625(c)]

The Rule gives PHAs broad administrative authority to establish eligibility requirements that are not applicable to the HCV Program. PHAs may thus limit assistance to types of families or purposes defined by the PHA. Given this fact, it is not clear whether PHAs are allowed to establish residency requirements or preferences that are prohibited in the tenant-based assistance program. [982.626(b)]

The program is limited to "first-time homebuyers." However, the definition of first-time homebuyer incorporates, among other "exceptions", a family in which one member is a person with disabilities and use of the homeownership option is needed as a reasonable accommodation, so that the program is readily accessible to and usable by such persons; [982.627(b)(3)]

The Rule requires all participants to undergo homeownership counseling prior to receiving assistance.

The Preamble suggests a number of topics for PHAs to address during that counseling. These include the advantages of purchasing in a low-poverty area, fair lending, local fair housing enforcement agencies; [982.630 (b)(7)-(8)] and information on how to avoid loans with oppressive terms and conditions known as predatory lending. [983.629 (b)(9)]

The Rule also that PHAs use HUD-approved housing counseling agencies for their counseling programs and requires that those that do not ensure that its counseling program is consistent with homeownership counseling provided under HUD's Housing Counseling program. [982.630(e)]

The program requires both an initial Housing Quality Standards inspection by a PHA-selected inspector and an independent professional home inspection by an inspector selected by the family. Requiring two inspections protects the buyer, especially in instances where major repairs are required; [982.631 (a)-(b)]

Predatory lending: A PHA may review lender qualifications and loan terms before authorizing homeownership assistance. [982.632(d)] The Preamble also encourages PHAs to analyze each loan before providing assistance to determine whether the lender and its loan terms meet the PHAs qualifications. It tells PHAs to be particularly careful of loans with high financing costs, high credit insurance premiums, balloon payments (especially high ones); interest rates that are higher than conventional mortgage rates; long-term pre-payment penalties; high ratio of debt to family income; loans based on unverified sources of income or without regard to the borrower's ability to repay, excessive fees or fees packed into the loan amount.

There is a maximum term of fifteen years for homeownership assistance to the family, but this does not apply to elderly or disabled families who meet certain conditions. [982.634(c)]

Where a member of the family is a person with disabilities, mortgage debt incurred to finance costs for major repairs or replacements can include debt needed for modifications to make the home accessible for the person with the disability, if the PHA determines that the allowance is needed as reasonable accommodation; [982.635(c)(3)(vii)]

The HCV Portability procedures apply in instances where the receiving PHA also operates an HCV Homeownership Program and is accepting new homeownership families. [982.636)]. In addition, the Preamble says that the PHA briefing must explain how the Program's portability procedures work.

The Preamble says that the Rule does not prohibit discrimination based on source of income. It notes, however, that lenders must comply with the Equal Credit Opportunity Act (ECOA) and its implementing regulations issued by the Federal Reserve Board when evaluating these loans. The ECOA prohibits discrimination based on welfare. Although there are no references to the ECOA in the Rule itself.

## APPENDIX O

## SHA VAWA FORMS

**Notice of Occupancy Rights under the Violence Against Women Act<sup>1</sup>**

**To All Tenants and Applicants:** The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation.<sup>2</sup> The U.S. Department of Housing and Urban Development (HUD) is the Federal agency that oversees that **The Springfield Housing Authority (SHA)** is in compliance with VAWA. This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA.”

**Protections for Applicants:** If you otherwise qualify for assistance under the **Housing Choice Voucher (HCV) Program**, you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

**Protections for Tenants:** If you are receiving assistance under the HCV Program, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if you or an affiliated individual of yours is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of your household or any guest, you may not be denied rental assistance or occupancy rights under the HCV Program solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

Affiliated individual means your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.

**Removing the Abuser or Perpetrator from the Household:** SHA may divide (bifurcate) your lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

If SHA chooses to remove the abuser or perpetrator, SHA may not take away the rights of eligible tenants to the unit or otherwise punish the remaining tenants. If the evicted abuser or perpetrator was the sole tenant to have established eligibility for assistance under the program, SHA must allow the tenant who is or has been a victim and other household members to remain in the unit for a period of time, in order to establish eligibility under the program or under another HUD housing program covered by VAWA, or, find alternative housing.

<sup>1</sup>Despite the name of this law, VAWA protection is available regardless of sex, gender identity, or sexual orientation.

<sup>2</sup>Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

In removing the abuser or perpetrator from the household, SHA must follow Federal, State, and local eviction procedures. In order to divide a lease, SHA may, but is not required to, ask you for documentation or certification of the incidences of domestic violence, dating violence, sexual assault, or stalking.

**Moving to Another Unit:** Upon your request, SHA may permit you to move to another unit, subject to the availability of other units, and still keep your assistance. In order to approve a request, SHA may ask you to provide documentation that you are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the housing provider may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

**(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking.** If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation, as described in the documentation section below.

**(2) You expressly request the emergency transfer.** Your housing provider may choose to require that you submit a form, or may accept another written or oral request.

**(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

**You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer.** If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you expressly request the transfer.

SHA will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families.

SHA's emergency transfer plan provides further information on emergency transfers, and SHA must make a copy of its emergency transfer plan available to you if you ask to see it.

**Documenting You Are or Have Been a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking:** SHA can, but is not required to, ask you to provide documentation to "certify" that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from SHA must be in writing, and SHA must give you at least 14 business days (Saturdays, Sundays, and Federal holidays do not count) from the day you receive the request to provide the documentation. SHA may, but does not have to, extend the deadline for the submission of documentation upon your request.

You can provide one of the following to SHA as documentation. It is your choice which of the following to submit if SHA asks you to provide documentation that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- A complete HUD-approved certification form given to you by SHA with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for your name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of

Form HUD-5380  
(12/2016)



the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.

- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.
- A statement, which you must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, "professional") from whom you sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by you attesting under penalty of perjury that he or she believes that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.
- Any other statement or evidence that SHA has agreed to accept.

If you fail or refuse to provide one of these documents within the 14 business days, SHA does not have to provide you with the protections contained in this notice.

If SHA receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms from two or more members of a household each claiming to be a victim and naming one or more of the other petitioning household members as the abuser or perpetrator), SHA has the right to request that you provide third-party documentation within thirty 30 calendar days in order to resolve the conflict. If you fail or refuse to provide third-party documentation where there is conflicting evidence, SHA does not have to provide you with the protections contained in this notice.

**Confidentiality:** SHA must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA.

SHA must not allow any individual administering assistance or other services on behalf of SHA (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

SHA must not enter your information into any shared database or disclose your information to any other entity or individual. SHA, however, may disclose the information provided if:

- You give written permission to SHA to release the information on a time limited basis.
- SHA needs to use the information in an eviction or termination proceeding, such as to evict your abuser or perpetrator or terminate your abuser or perpetrator from assistance under this program.
- A law requires SHA or your landlord to release the information.

VAWA does not limit SHA's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

**Reasons a Tenant Eligible for Occupancy Rights under VAWA May Be Evicted or Assistance May Be Terminated:** You can be evicted and your assistance can be terminated for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against you. However, SHA cannot hold tenants who have been victims of domestic violence, dating violence, sexual assault, or stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and you could be evicted and your assistance terminated, if SHA can demonstrate that not evicting you or terminating your assistance would present a real physical danger that:

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(12/2016)

- (1) Would occur within an immediate time frame, and
- (2) Could result in death or serious bodily harm to other tenants or those who work on the property.

If SHA can demonstrate the above, SHA should only terminate your assistance or evict you if there are no other actions that could be taken to reduce or eliminate the threat.

**Other Laws:** VAWA does not replace any Federal, State, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking. You may be entitled to additional housing protections for victims of domestic violence, dating violence, sexual assault, or stalking under other Federal laws, as well as under State and local laws.

**Non-Compliance with The Requirements of This Notice:** You may report a covered housing provider's violations of these rights and seek additional assistance, if needed, by contacting or filing a complaint with the **City of Springfield Office of Community Relations** at 217-789-2270 or **HUD Regional Office in Chicago** at 312-353-5680.

**For Additional Information:** You may view a copy of HUD's final VAWA rule at <https://portal.hud.gov/hudportal/documents/huddoc?id=5720-F-03VAWAFinRule.pdf>.

Additionally, SHA must make a copy of HUD's VAWA regulations available to you if you ask to see them. For questions regarding VAWA, please contact your caseworker.

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact **Sojourn Shelter & Services** at 1-866-435-7438.

For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

For help regarding sexual assault, you may contact **Prairie Center Against Sexual Assault** at 217-753-8081. Victims of stalking seeking help may contact the **Victim Connect Helpline** at 1-855-484-2846.

**Attachment:** Certification form HUD-5382

Form HUD-5380  
(12/2016)



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## MODEL EMERGENCY TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

### Emergency Transfers

The Springfield Housing Authority (SHA) is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA),<sup>1</sup> SHA allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.<sup>2</sup> The ability of SHA to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether SHA has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees that SHA is in compliance with VAWA.

### Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

### Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify SHA's management office and submit a written request for a transfer. SHA will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under SHA's program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

<sup>1</sup> Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

<sup>2</sup> Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

**Confidentiality**

SHA will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives SHA written permission to release the information on a time limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence Against Women Act For All Tenants for more information about SHA's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

**Emergency Transfer Timing and Availability**

SHA cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. SHA will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. SHA may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If SHA has no safe and available units for which a tenant who needs an emergency is eligible, SHA will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, SHA will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

**Safety and Security of Tenants**

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking:

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact **Sojourn Shelter & Services** at 1-866-435-7438.

For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

For help regarding sexual assault, you may contact **Prairie Center Against Sexual Assault** at 217-753-8081.

Victims of stalking seeking help may contact the **Victim Connect Helpline** at 1-855-484-2846.

Form HUD-5381  
(06/2017)



### CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING, AND ALTERNATE DOCUMENTATION

**Purpose of Form:** The Violence Against Women Act ("VAWA") protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

**Use of This Optional Form:** If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

- (1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, "professional") from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of "domestic violence," "dating violence," "sexual assault," or "stalking" in HUD's regulations at 24 CFR 5.2003.
- (2) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
- (3) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

**Submission of Documentation:** The time period to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time period to submit the documentation, if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

**Confidentiality:** All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

OMB Approval No. 2577-0286 Exp. 06/30/2017

**TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING**

1. Date the written request is received by victim: \_\_\_\_\_

2. Name of victim: \_\_\_\_\_

3. Your name (if different from victim's): \_\_\_\_\_

4. Name(s) of other family member(s) listed on the lease: \_\_\_\_\_

\_\_\_\_\_

5. Residence of victim: \_\_\_\_\_

6. Name of the accused perpetrator (if known and can be safely disclosed): \_\_\_\_\_

\_\_\_\_\_

7. Relationship of the accused perpetrator to the victim: \_\_\_\_\_

8. Date(s) and times(s) of incident(s) (if known): \_\_\_\_\_

\_\_\_\_\_

9. Location of incident(s): \_\_\_\_\_

In your own words, briefly describe the incident(s):

_____
_____
_____
_____
_____

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature \_\_\_\_\_ Date    /    /   

**Public Reporting Burden:** The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.



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### EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

**Purpose of Form:** If you are a victim of domestic violence, dating violence, sexual assault, or stalking, and you are seeking an emergency transfer, you may use this form to request an emergency transfer and certify that you meet the requirements of eligibility for an emergency transfer under the Violence Against Women Act (VAWA). Although the statutory name references women, VAWA rights and protections apply to all victims of domestic violence, dating violence, sexual assault or stalking. Using this form does not necessarily mean that you will receive an emergency transfer. See your housing provider's emergency transfer plan for more information about the availability of emergency transfers.

**The requirements you must meet are:**

**(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking.** If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation. In response, you may submit Form HUD-5382, or any one of the other types of documentation listed on that Form.

**(2) You expressly request the emergency transfer.** Submission of this form confirms that you have expressly requested a transfer. Your housing provider may choose to require that you submit this form, or may accept another written or oral request. Please see your housing provider's emergency transfer plan for more details.

**(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future. **OR**

**You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer.** If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you submit this form or otherwise expressly request the transfer.

**Submission of Documentation:** If you have third-party documentation that demonstrates why you are eligible for an emergency transfer, you should submit that documentation to your housing provider if it is safe for you to do so. Examples of third party documentation include, but are not limited to: a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom you have sought assistance; a current restraining order; a recent court order or other court records; a law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts.

**Confidentiality:** All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking, and concerning your request for an emergency transfer shall be kept confidential. Such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections or an emergency transfer to you. Such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

OMB Approval No. 2577-0286 Form HUD-5383 (06/2017)

TO BE COMPLETED BY OR ON BEHALF OF THE PERSON REQUESTING AN EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING:

1. Name of victim requesting an emergency transfer: \_\_\_\_\_

2. Your name (if different from victim): \_\_\_\_\_

3. Name(s) of other family member(s) listed on the lease: \_\_\_\_\_

\_\_\_\_\_

4. Name(s) of other family member(s) who would transfer with the victim: \_\_\_\_\_

\_\_\_\_\_

5. Address of location from which the victim seeks to transfer: \_\_\_\_\_

6. Address or phone number for contacting the victim: \_\_\_\_\_

7. Name of the accused perpetrator (if known and can be safely disclosed): \_\_\_\_\_

8. Relationship of the accused perpetrator to the victim: \_\_\_\_\_

9. Date(s), time(s) and location(s) of incident(s): \_\_\_\_\_

\_\_\_\_\_

10. Is the person requesting the transfer a victim of a sexual assault that occurred in the past 90 days on the premises of the property from which the victim is seeking a transfer? \_\_\_\_\_ YES \_\_\_\_\_ NO

If yes, skip to question 12. If no, fill out question 11.

11. Describe why the victim believes they are threatened with imminent harm from further violence if they remain in their current unit.

\_\_\_\_\_

\_\_\_\_\_

12. If voluntarily provided, list any third-party documentation you are providing along with this notice:

\_\_\_\_\_

This is to certify that the information provided on this form is true and correct to the best of my knowledge, and that the individual named above in Item 1 meets the requirement laid out on this form for an emergency transfer. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**Public Reporting Burden:** The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.



